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**SITTING DAYS—2016**

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FORTY-FOURTH PARLIAMENT
FIRST SESSION—EIGHTH PERIOD

Governor-General
His Excellency General the Hon. Sir Peter Cosgrove AK, MC (Retd)

House of Representatives Office Holders

Speaker—Hon. Anthony David Hawthorn Smith
Deputy Speaker—Hon. Bruce Craig Scott MP
Second Deputy Speaker—Mr Robert George Mitchell MP
Members of the Speaker’s Panel—Mr Russell Evan Broadbent MP,
Ms Anna Elizabeth Burke MP, Ms Sharon Catherine Claydon MP,
Hon. John Kenneth Cobb MP, Mr Patrick Martin Conroy MP,
Mr Ian Reginald Goodenough MP, Mrs Natasha Louise Griggs MP,
Ms Sarah Moya Henderson MP, Mr Stephen James Irons MP,
Mr Craig Kelly MP, Ms Michelle Leanne Landry MP, Ms Clare Ellen O’Neil MP,
Mrs Jane Prentice MP, Ms Melissa Lee Price MP,
Dr Andrew John Southcott MP, Mr Michael Sukkar MP,
Mr Ross Xavier Vasta MP and Mrs Lucy Elizabeth Wicks MP

Leader of the House—Hon. Christopher Pyne MP
Deputy Leader of the House—Hon. Darren Chester MP
Manager of Opposition Business—Hon. Anthony Stephen Burke MP
Deputy Manager of Opposition Business—Hon. Mark Dreyfus QC MP

Party Leaders and Whips

Liberal Party of Australia
Leader—Hon. Malcolm Bligh Turnbull MP
Deputy Leader—Hon. Julie Isabel Bishop MP
Chief Government Whip—Ms Nola Bethwyn Marino MP
Government Whips—Mr Ewen Thomas Jones MP and Mr Brett David Whiteley MP

The Nationals
Leader—Hon. Barnaby Thomas Gerard Joyce MP
Deputy Leader—Senator the Hon Fiona Nash
Chief Whip—Mr Mark Maclean Coulton MP
Deputy Whip—Mr George Robert Christensen MP

Australian Labor Party
Leader—Hon. William Richard Shorten MP
Deputy Leader—Hon. Tanya Joan Plibersek MP
Chief Opposition Whip—Mr Christopher Patrick Hayes MP
Opposition Whips—Ms Jill Griffiths Hall MP and Ms Joanne Catherine Ryan MP

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

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<td>van Manen, Mr Albertus Johannes</td>
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<td>Vasta, Mr Ross Xavier</td>
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<tr>
<td>Wats, Mr Timothy Graham</td>
<td>Gellibrand, VIC</td>
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<tr>
<td>Whiteley, Mr Brett David</td>
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<tr>
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<tr>
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<tbody>
<tr>
<td>Williams, Mr Matthew</td>
<td>Hindmarsh, SA</td>
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<tr>
<td>Wilson, Mr Richard James</td>
<td>O'Connor, WA</td>
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<tr>
<td>Wood, Mr Jason Peter</td>
<td>La Trobe, VIC</td>
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<tr>
<td>Wyatt, Mr Kenneth George, AM</td>
<td>Hasluck, WA</td>
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<td>Zappia, Mr Antonio</td>
<td>Makin, SA</td>
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<tr>
<td>Zimmerman, Mr Trent</td>
<td>North Sydney, NSW</td>
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</table>

**PARTY ABBREVIATIONS**

ALP—Australian Labor Party; LP—Liberal Party of Australia; NATS—The Nationals;
IND—Independent; NATSWA—The Nationals WA; CLP—Country Liberal Party;
AUS—Katter's Australia Party; AG—Australian Greens; PUP—Palmer United Party

**Heads of Parliamentary Departments**

Clerk of the Senate—R Laing
Clerk of the House of Representatives—D Elder
Secretary, Department of Parliamentary Services—R Stefanic
Parliamentary Budget Officer—P Bowen
**TURNBULL MINISTRY**

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<tr>
<td><strong>Prime Minister</strong></td>
<td>The Hon Malcolm Turnbull MP</td>
</tr>
<tr>
<td><strong>Minister for Indigenous Affairs</strong></td>
<td>Senator the Hon Nigel Scullion</td>
</tr>
<tr>
<td><strong>Minister for Women</strong></td>
<td>Senator the Hon Michaelia Cash</td>
</tr>
<tr>
<td><strong>Cabinet Secretary</strong></td>
<td>Senator the Hon Arthur Sinodinos AO</td>
</tr>
<tr>
<td><em>Minister Assisting the Prime Minister for the Public Service</em></td>
<td>The Hon Michaelia Cash</td>
</tr>
<tr>
<td><em>Minister Assisting the Prime Minister for Counter-Terrorism</em></td>
<td>Senator the Hon James McGrath</td>
</tr>
<tr>
<td><strong>Assistant Minister to the Prime Minister</strong></td>
<td>The Hon Angus Taylor MP</td>
</tr>
<tr>
<td><strong>Assistant Minister for Cities and Digital Transformation</strong></td>
<td>Senator the Hon Richard Colbeck</td>
</tr>
<tr>
<td><strong>Assistant Cabinet Secretary</strong></td>
<td>Senator the Hon Richard Colbeck</td>
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<tr>
<td><strong>Deputy Prime Minister and Minister for Agriculture and Water Resources</strong></td>
<td>The Hon Barnaby Joyce MP</td>
</tr>
<tr>
<td><strong>Assistant Minister for Agriculture and Water Resources</strong></td>
<td>Senator the Hon Anne Ruston</td>
</tr>
<tr>
<td><strong>Assistant Minister to the Deputy Prime Minister</strong></td>
<td>The Hon Keith Pitt MP</td>
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<tr>
<td><strong>Minister for Foreign Affairs</strong></td>
<td>The Hon Julie Bishop MP</td>
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<tr>
<td><strong>Minister for Trade and Investment</strong></td>
<td>The Hon Steve Ciobo MP</td>
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<tr>
<td><strong>Minister for International Development and the Pacific</strong></td>
<td>Senator the Hon Concetta Fierravanti-Wells</td>
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<td>Senator the Hon Richard Colbeck</td>
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<tr>
<td><strong>Attorney-General</strong></td>
<td>The Hon George Brandis QC</td>
</tr>
<tr>
<td>(Vice-President of the Executive Council)</td>
<td>The Hon Michael Keenan MP</td>
</tr>
<tr>
<td>(Leader of the Government in the Senate)</td>
<td>The Hon George Brandis QC</td>
</tr>
<tr>
<td><strong>Minister for Justice</strong></td>
<td>The Hon Michael Keenan MP</td>
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<tr>
<td><strong>Treasurer</strong></td>
<td>The Hon Scott Morrison MP</td>
</tr>
<tr>
<td><strong>Minister for Small Business</strong></td>
<td>The Hon Kelly O’Dwyer MP</td>
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<td>The Hon Alex Hawke MP</td>
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<tr>
<td><strong>Minister for Finance</strong></td>
<td>The Hon Mathias Cormann</td>
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<td><strong>Special Minister of State</strong></td>
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<tr>
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<td>The Hon Paul Fletcher MP</td>
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<tr>
<td><strong>Minister for Major Projects, Territories and Local Government</strong></td>
<td>The Hon Paul Fletcher MP</td>
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<tr>
<td><strong>Minister for Industry, Innovation and Science</strong></td>
<td>The Hon Christopher Pyne MP</td>
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<tr>
<td>(Leader of the House)</td>
<td>The Hon Christopher Pyne MP</td>
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<tr>
<td><strong>Minister for Resources, Energy and Northern Australia</strong></td>
<td>The Hon Josh Frydenberg MP</td>
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<tr>
<td><strong>Assistant Minister for Science</strong></td>
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<tr>
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<tr>
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<tr>
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<tr>
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<tr>
<td><strong>Minister for Health</strong></td>
<td>The Hon Sussan Ley MP</td>
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<tr>
<td><strong>Minister for Aged Care</strong></td>
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<tr>
<td><strong>Minister for Sport</strong></td>
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<tr>
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<tr>
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<tr>
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<tr>
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<tr>
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<tr>
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<tr>
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Each box represents a portfolio. Cabinet Ministers are shown in bold type. As a general rule, there is one department in each portfolio. However, there is a Department of Human Services in the Social Services portfolio and a Department of Veterans’ Affairs in the Defence portfolio. The title of a department does not necessarily reflect the title of a minister in all cases. Assistant Ministers in italics are designated as Parliamentary Secretaries under the Ministers of State Act 1952.
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<tr>
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<td>Senator Katy Gallagher*</td>
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<tr>
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<tr>
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<tr>
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<td>Startups</td>
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<tr>
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<tr>
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<tr>
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<tr>
<td>Shadow Minister for Ageing</td>
<td>Hon. Shayne Neumann MP</td>
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<td>Shadow Minister for Mental Health</td>
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<tr>
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<tr>
<td>Shadow Minister for Housing and Homelessness</td>
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<tr>
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<tr>
<td>Shadow Parliamentary Secretary for Immigration</td>
<td>Hon. Matt Thistlethwaite MP</td>
</tr>
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Shadow Cabinet Ministers are shown in bold type.

* Senator Katy Gallagher’s appointment to the Shadow Ministry is effective from 1 November 2015. Senator the Hon. Jan McLucas will serve as Shadow Minister for Housing and Homelessness and Shadow Minister for Mental Health, and represent the Shadow Minister for Northern Australia, the Shadow Minister for Health, the Shadow Assistant Minister for Health, the Shadow Minister for Sport and the Shadow Minister for Indigenous Affairs in the Senate until 31 October 2015.
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The SPEAKER (Hon. Tony Smith) took the chair at 09:00, made an acknowledgement of country and read prayers.

BILLS

National Disability Insurance Scheme Amendment Bill 2016

First Reading

Bill and explanatory memorandum presented by Mr Porter.

Bill read a first time.

Second Reading

Mr PORTER (Pearce—Minister for Social Services) (09:01): I move:

That this bill be now read a second time.

This bill amends the National Disability Insurance Scheme Act 2013 to increase the maximum number of members of the board of the National Disability Insurance Scheme Launch Transition Agency, known as the NDIA.

Replacing the current provision for eight board members, the minister will now have capacity to appoint up to 11 members, aside from the chair. As a minor consequence, quorum arrangements for board meetings will also be clarified.

The National Disability Insurance Scheme, of course known as the NDIS, is a significant social reform, and the government has an intense focus on its design, administration and implementation.

It is a significantly complex reform, with governance shared between the Commonwealth and state and territory governments. It requires close oversight of financial sustainability, potential risks to scheme participants and providers, and delivery of the scheme across Australia.

The NDIA will be responsible for implementing the transition from trial to the full rollout of the NDIS across Australia, which, when fully established, is estimated to provide support to over 460,000 participants, with a full scheme budget of around $22 billion per annum.

Over the next four years, the NDIS will be moving into a rapid growth phase, where participant numbers will increase from 19,758 people across its trial sites as at 30 September 2015 to over 460,000 people across the country in 2019-20. As the NDIS enters the transition stage, the NDIA will commence increasing the size of its workforce, outsourcing arrangements for many NDIS functions and implementing its full scheme Information Communications Technology solution.

The NDIA board is responsible for overseeing the implementation of the NDIS and its long-term sustainability. The board manages the financial and delivery risk of the scheme, including maintaining an actuarial and insurance approach to decision making within the scheme. The board develops the NDIA’s business strategies, manages risks to the organisation and the NDIS and, through its chief executive officer, handles the day-to-day management of the NDIA.
The government, along with the states and territories, has therefore reached the view that the NDIA needs a board with a broader range of skills and experience to manage the rapid increase in participants and to address the emerging challenges that come with a reform of this scale.

State and territory governments, along with the Commonwealth, have agreed that the board requires skills suited to the specific challenges of the transition phase, including strategy, risk, insurance, corporate governance and implementation, as well as experience in large enterprises of an equivalent national scale and complexity.

An independent review of the skills and experience required in the NDIA board for the transition stage found that the next iteration of the board should have strong ASX 50 or large government business enterprise level experience in operation and financial systems and controls. The review identified a need for better representation of experience in change and financial management and deep expertise in the management of insurance-based schemes.

Following this independent review and consultation with state and territory governments, the Commonwealth government has concluded that a board of eight members plus a chair does not allow for the diversity and strength required of a board that is managing the anticipated rapid increase of participants and administering a $22 billion insurance based scheme.

A larger NDIA board will ensure that it has a balance of skills, knowledge and experience in disability services, financial management and corporate governance management of insurance or compensation schemes to enable the board to meet the challenges of the next phase of the NDIS effectively.

To implement this measure, a staged approach to changing the membership of the NDIA board has been agreed with members of COAG’s Disability Reform Council, to ensure continuity while also producing optimal governance outcomes during the transition to full scheme. Our view is that, until the NDIS reaches maturity, the board should consist of 11 members and a chair.

The size of the NDIA board is set out in section 126 of the National Disability Insurance Scheme Act 2013. This bill amends section 126 to change the number of members, aside from the chair, from eight to up to 11, providing the minister with the flexibility to decrease the size of the board at a point when it is considered appropriate and prudent to do so.

As a minor consequence of this change, section 138, providing for a quorum for board meetings, is also amended to ensure that a quorum is constituted when a majority of the members are present.

This government remains committed to the full rollout of the NDIS, with its attendant benefits for people with disabilities, their families, their carers, and the broader Australian community of which they are a valued part.

These changes ensure that the NDIA board overseeing this major social policy reform will have the mix and diversity of skills, capabilities and leadership to bring the NDIS to full scheme within the time frame agreed to with states and territories and within the allocated budget. I commend the bill to the House.

Debate adjourned.
National Disability Insurance Scheme Savings Fund Special Account Bill 2016

First Reading

Bill and explanatory memorandum presented by Mr Porter.

Bill read a first time.

Second Reading

Mr PORTER (Pearce—Minister for Social Services) (09:07): I move:

That this bill be now read a second time.

This bill will establish a new ongoing special account that will assist the Commonwealth to meet future financial commitments to the National Disability Insurance Scheme. This special account will be known as the National Disability Insurance Scheme Savings Fund Special Account.

The National Disability Insurance Scheme, known of course as the NDIS, is one of the largest social and economic policy reforms in Australian history. The NDIS supports Australians who are born with, or acquire, a permanent and significant disability before the age of 65 so that they are able to lead a more independent and inclusive life.

The NDIS provides this support by assisting people with disabilities to meet the costs associated with their conditions. Importantly, the scheme empowers people with disabilities to make their own decisions about how they are supported.

NDIS trials are well underway across Australia and, by the completion of the trials in June 2016, there will be around 30,000 people with disabilities participating in the scheme. From July 2016, the NDIS will begin a large-scale expansion, being introduced in a staggered and well-managed transition over the next three years.

By 2019-20, the NDIS will be supporting around 460,000 Australians with disability. At that time, the NDIS will be injecting $22 billion each year into the Australian economy.

The NDIS provides the support directly to each eligible person, rather than to a service provider to then deliver the required support. As a result, the NDIS will also change the landscape of the disability sector. New opportunities will be created by empowering people with disability. A new source of demand will be created within the wider economy for disability support services. As the scheme grows, it will create a national market for care and support based on empowerment, choice and control—a market that drives innovation and creates greater efficiencies and effectiveness.

The Productivity Commission concluded that, over time, the economic benefits of the NDIS will outweigh its costs and will add close to one per cent to GDP. The NDIS is not only good for people with disability, it is good for the Australian economy and it will drive jobs growth over the long term.

In 2019-20, the NDIS reaches 'full scheme' with $22 billion of funding. The Commonwealth's share of the total funding will be around $11.3 billion per year. At that time, eligible people with disability who are currently receiving support through Commonwealth and state disability programs will be receiving support alternatively through the NDIS.

The government is fully committed to properly, adequately and sustainably funding the NDIS. It is for these reasons that the government is bringing forward the National Disability
Insurance Scheme Savings Fund Special Account. The special account will give a clear line of sight of the funding set aside by the government for the NDIS.

It is critical that the government manages its funding in a way that is transparent and quantifiable, and meets the Commonwealth's funding commitments to ensure the NDIS is fully funded.

The government is, of course, 100 per cent committed to delivering and funding the NDIS in full. The coalition government has supported the NDIS from day one and this special account demonstrates that ongoing commitment.

In addition to this special account, the Commonwealth is redirecting existing disability-related spending and the DisabilityCare Australia Fund towards the cost of the NDIS. In 2019-20:

- existing Commonwealth disability funding redirected to the NDIS is estimated to be $1.1 billion;
- the Commonwealth share of the increase in the Medicare levy through the DisabilityCare Australia Fund is estimated to be $3.3 billion; and
- redirected funding, which is currently provided to the states for specialist disability services, is estimated to be $1.9 billion.

In total, the Commonwealth will direct $6.3 billion from these three sources to the NDIS. However, because of the failure of the previous Labor government to specifically set aside funding for the NDIS gap, this will leave a funding shortfall of $5 billion from 2019-20 onwards, which this government is committed to meeting.

While the Medicare levy is an important contribution to the NDIS, it only provides a portion of the Commonwealth's annual new contributions to the NDIS at full scheme.

It falls to this government to set aside the remainder, which equates to $5 billion worth of funding shortfalls from 2019-20 onwards.

This special account is the mechanism for securing that funding shortfall. It is proof of the responsible and sustainable way that this government follows through on its NDIS promises.

The National Disability Insurance Scheme Savings Fund Special Account, which will be created by this bill, will be in the form of a special account. The special account will be administered by the Department of Social Services, with its funding sitting within consolidated revenue. This will ensure that savings deposited into the special account are not returned to the Consolidated Revenue Fund itself and effectively lost for the purposes of the NDIS.

The special account will allow the government, over future budgets, to identify savings from existing programs and set aside those savings to assist in meeting the Commonwealth's future financial commitments to the NDIS. Effectively, the government will, over successive years, put aside savings that are clearly identified, quantified and defined so that the $5 billion annual funding gap from 2019-20 is met within existing funding.

By clearly identifying savings in the special account, it will provide an enduring response to the concerns raised by the disability sector in relation to how government will fund the shortfall for the NDIS. The previous government had identified some savings to assist in
meeting the funding requirements of the NDIS from 2019-20. However, those savings were not set aside to meet future NDIS costs and were effectively lost for NDIS purposes.

The special account provides a sustainable way to meet the funding gap from 2019-20 onwards that does not require borrowings for the NDIS that would need to be paid back by future generations.

This bill gives the government the flexibility to identify savings from any portfolio, not just the Social Services portfolio. That approach will ensure that many areas of government contribute to supporting people with disability.

There will be an upper limit on the balance of the special account—it will only hold enough money to fund the future value of the Commonwealth's NDIS commitment. Over the next few years, savings can accumulate in the special account to meet future funding commitments. From 2019-20, when the NDIS reaches full scheme, if the balance of the special account becomes greater than required, the excess will be returned to the Consolidated Revenue Fund.

Further, a review of the special account will be conducted in 2026-27.

Identification of savings to be deposited into the special account will be a decision of government. Those savings to be credited to the special account will be committed over a 10-year period. The quantum of individual savings will be consistent with the Budget Process Operational Rules. The Minister for Social Services will be the responsible minister, with responsibility for the policy and management of the special account.

The government will establish the special account with an opening balance of $162.4 million in 2015-16 from the Consolidated Revenue Fund.

The government will make further deposits into the special account as soon as the budget occurs in May 2016. Further deposits will be made over coming financial years.

In bringing this bill forward to create the National Disability Insurance Scheme Savings Fund Special Account, the government is providing a robust and enduring solution to meeting the government's funding commitments for the NDIS, and I commend the bill to the House.

Debate adjourned.

Social Services Legislation Amendment (Consistent Treatment of Parental Leave Payments) Bill 2016

First Reading

Bill and explanatory memorandum presented by Mr Porter.

Bill read a first time.

Second Reading

Mr PORTER (Pearce—Minister for Social Services) (09:16): I move:

That this bill be now read a second time.

The bill introduces the 2015-16 Mid-Year Economic and Fiscal Outlook measure previously announced, being the Commonwealth parental leave payments—consistent treatment for income support assessment.
This measure will amend the social security and veterans' entitlements legislation to ensure Commonwealth parental leave payments under the Paid Parental Leave Act 2010 are included in the income test for Commonwealth income support payments.

The bill, in so doing, removes an anomaly in the current arrangements so that government provided parental leave payments will be treated in exactly the same way as employer provided parental leave payments when determining eligibility for income support payments.

Currently, recipients of the government funded parental leave pay (PLP) and dad and partner pay (DAPP) can receive the full rate of an income support payment at the same time as parental leave pay or dad and partner pay.

This situation arose because, when government funded paid parental leave was first introduced, the non-taxable baby bonus was valued at $5,294 such that a family could potentially be better off receiving both the baby bonus and an additional income support payment rather than receiving paid parental leave.

To ensure that the level of financial assistance available to those choosing paid parental leave was worth more than the financial assistance provided to those who chose the baby bonus, paid parental leave was at that point in time excluded from being counted as income for income support payments.

One of the objectives of paid parental leave is to encourage workforce participation, and its value relative to welfare type payments is important.

When the PPL scheme was introduced, the baby bonus existed as an alternative payment for those not eligible for PPL—that is, families with a mother not in the paid workforce—and those who were eligible for PPL but might choose the baby bonus instead.

PPL is taxable and at the time it was introduced was worth $10,260 in total, whereas the baby bonus was untaxable and at the time worth $5,294.

Since PPL is taxable income it can also reduce the amount of family tax benefit part A a family receives and families are precluded from receiving family tax benefit part B during the PPL period.

These interactions with other payments and the tax systems mean that a family may have been better off at the time choosing the baby bonus instead of PPL when they were also eligible for PPL.

In order to make this less likely, the decision at the time was taken that PLP and DAPP would not count as income for income support payments. As the baby bonus has subsequently been abolished and the newborn supplement has been introduced, along with the increase in the PLP rate which is now worth $11,826 over 18 weeks, the original rationale for the exclusion no longer exists.

As previously mentioned, under existing arrangements, payments made under the government funded PPL scheme do not count as income for determining the eligibility and the rate of income support payable to a person.

What this means in practice is that a person can be receiving a government funded parental leave payment of $1,314 per fortnight and at the same time receiving the maximum rate of an income support payment, being $731.20 per fortnight for parenting payment single or $472.60 per fortnight for parenting payment partnered.
If the $1,314 per fortnight was earned income from employment or paid leave from an employer it would reduce the parenting payment single from $731.20 to $280.24 and reduce the parenting payment partnered amount from $472.60 to nil.

It is estimated that approximately 5,000 families will receive a reduced rate of income support payment and 6,000 will no longer be eligible to receive income support during the relevant period—just as families who receive the same amount of PPL from their employer would also not be eligible to receive income support.

The proposed changes will make it fairer for all working mothers, and provide a consistent level of government support. This measure does level the playing field amongst income support recipients by treating all types of income in the same fashion, irrespective of the source of that income.

I commend the bill to the House.

Debate adjourned.

**Tax Laws Amendment (Tax Incentives for Innovation) Bill 2016**

First Reading

Bill and explanatory memorandum presented by Mr Morrison.

Bill read a first time.

Second Reading

Mr MORRISON (Cook—Treasurer) (09:21): I move:

That the bill be now read a second time.

I am pleased to introduce this bill which amends our taxation laws to implement a range of new incentives to drive economic growth and jobs in our transitioning economy. How we manage the successful transitioning economy is the most significant challenge facing our country today; certainly from an economic perspective. It is the key to how we ensure future prosperity and to how we ensure future jobs in the 21st century, and this is the key challenge that we face economically, particularly as we lead up to the budget.

These measures will help encourage innovation, risk-taking and an entrepreneurial culture in Australia. It is backing the risk-takers to be the growth-makers in our economy.

These measures go to the heart of the government's National Innovation and Science Agenda, and represent its commitment to making Australia a more modern, dynamic, 21st-century economy. There has never been a more important time for innovation to be at the centre of government policy, because that innovation will drive the productivity that is essential to support national incomes, at a time when we have seen the terms of trade turn to historical levels, coming some 30 per cent off its peak. The country cannot rely on those factors to support national incomes, going forward. We need to earn more, and we need to earn more by increased innovation to drive greater productivity—and that is why innovation sits at the heart of the government's economic agenda and plan to manage the successful transitioning of our economy.

These actions also go towards ensuring Australia remains a world leader when it comes to doing business.

The government is investing $1.1 billion to incentivise innovation and entrepreneurship.
This bill delivers upon two commitments: providing concessional tax treatment to investment in innovative, high-growth start-ups; and reforms to the arrangements for Venture Capital Limited Partnerships to improve access to capital, and make the regime more user-friendly and more internationally competitive.

The first measure, schedule 1 to this bill, amends the *Income Tax Assessment Act 1997* to improve investment into early stage innovation companies through incentivising investors with business expertise and experience to assist entrepreneurs with commercialising their concepts and ideas.

The second measure, schedule 2 to this bill, will amend the *Venture Capital Act 2002* and the *Income Tax Assessment Act 1997* to reform the arrangements for venture capital investments, which is expected to attract greater levels of investments at the growth stage of developing a concept, while improving the international competitiveness of investing in entrepreneurs at this stage of the financing life cycle.

This bill is an important step for Australia—investors, venture capital funds and innovation companies in all industries will benefit from these measures.

These measures have specifically been designed to foster a shift towards a culture of innovation, whereby entrepreneurial risk-taking is encouraged and rewarded.

The tax incentives for early stage investors measure aims to support early stage investment by encouraging more businesses to develop innovative ideas.

Within the early stages of an innovation company's financing life cycle, difficulty attracting funding can prevent entrepreneurs from developing and commercialising their ideas. In fact, this stage is sometimes described as the 'valley of death' where many start-ups find themselves unable to meet their cash flow requirements. It is important that the government help connect business expertise with entrepreneurs so that innovative ideas can reach the market through commercialisation. This is what we mean when we say that we are backing Australians in our transitioning economy to make that transition a success.

The tax incentives include a 20 per cent carry-forward non-refundable offset on investments capped at $200,000 per year, and a 10-year exemption on capital gains tax for investments held in the form of shares in the innovation company for at least 12 months, provided that the shares held do not constitute more than a 30 per cent interest in the innovation company. The tax offset will be available upon investment, not when the funds are used by the innovation company, and any sale of the shares will be taxed on a 'deemed capital account' basis.

Innovation in Australia is dynamic. A regulation-making power is also included so the government can keep the measure up to date and up to speed.

The tax incentives for funding provided through venture capital limited partnerships including early stage venture capital limited partnerships are designed to attract investments at the growth stage of a company's development. At this stage, entrepreneurs can face further difficulties accessing funding, despite typically receiving a few rounds of initial funding, as they are not yet able to market themselves for public or broader investor buy-in. Although Australia has experienced recent momentum in this field, with over $600 million in venture capital raised or planned since 30 June 2015, this funding has been generally concentrated within the technology sector. The measure will continue to build on the current momentum...
through improving funding for promising projects across the economy and in industries beyond the technology sector.

We are introducing a number of new arrangements to venture capital limited partnerships and early stage venture capital limited partnerships. Notably, there will be:

- a non-refundable tax offset of 10 per cent of the value of new capital invested into early stage venture capital limited partnerships during the income year;
- an increase in the maximum fund size of early stage venture capital limited partnerships from $100 million to $200 million;
- improved access to funding from managed investment trusts; and
- broadened and simplified rules for both venture capital limited partnerships and early stage venture capital limited partnerships.

The cost of all of these measures were fully offset in the Mid-Year Economic and Fiscal Outlook statement that was released in December of last year.

Once the bill receives royal assent, these incentives will apply to the 2016-17 income year.

Consultation has been conducted across a range of sectors and industries, including experienced investors, start-up founders and pioneers and industry bodies, to design these measures in a way that attracts investment without creating unnecessary regulatory burdens on either the government or entrepreneurs.

We are answering a call from industry. We are creating the ecosystem that Australia needs to succeed in this modern world and for our transitioning economy.

We are setting up the environment to reward our innovators and our entrepreneurs who have the concepts and ideas and the passion that will benefit all Australians.

Backling innovation to drive productivity is a cornerstone of the Turnbull government's economic plan to successfully manage our economic transition. The Turnbull government know that our transitioning economy requires increased investment and we will create and continue to create the conditions necessary for that investment, as demonstrated in these measures, by reducing the tax burden on those who are investing in our economy.

This is another practical example of how the Turnbull government is acting to support the positive transition that is taking place in our economy and why the Turnbull government can be trusted to continue to undertake that task.

Debate adjourned.

**Customs and Other Legislation Amendment Bill 2016**

**First Reading**

Bill and explanatory memorandum presented by Mr Dutton.

Bill read a first time.

**Second Reading**

Mr DUTTON (Dickson—Minister for Immigration and Border Protection) (09:29): I move:

That this bill be now read a second time.
The Customs and Other Legislation Amendment Bill 2016 is an omnibus bill that makes a number of amendments to the Customs Act, as well as amendments to the Commerce (Trade Descriptions) Act, and the Maritime Powers Act.

The Customs Act does not currently contain any mechanism by which an owner of goods can be exempt from liability to pay the import declaration processing charge. Schedule 1 of the bill will amend the Customs Act to allow a determination that certain parties or goods are exempt from liability to pay this charge. These amendments will allow Australia to comply with international agreements and treaties involving the application of fees and charges at the border. These amendments ensure that people who pay the charge but are exempt from doing so are able to have their payment refunded.

Schedule 2 of the bill will amend the Customs Act to extend the circumstances in which a person can apply to move, alter or interfere with goods for export that are subject to customs control. Outwards duty-free goods, including those issued under the current duty-free 'sealed bag scheme' require the same screening as any other baggage of travellers on international flights and voyages.

Screening staff at international gateway airports are required to screen all liquids, aerosols and gels presented at a departure screening point. If an alarm is triggered while screening the goods, the goods are required to be re-screened. If the item is a duty-free item, this means removing it from the sealed duty-free packaging. However, the opening of sealed duty-free bags and/or tampering with the contents without permission while they are subject to customs control is an offence punishable under the Customs Act.

These amendments will allow screening authorities to apply for permission to open sealed duty-free bags for re-screening without breaching the Customs Act. Granting this permission will be relevant at international gateway airports, such as Melbourne, where departure screening occurs prior to customs processing.

Schedule 3 of the bill will amend the Customs Act to remove unnecessary requirements for producers when demonstrating that they have made goods in Australia. Currently, when Australian manufacturers apply to have a tariff concession order revoked, or object to the making of a tariff concession order, they must meet two tests. They must demonstrate that at least 25 per cent of factory costs of substitutable goods occur in Australia and that a substantial process of manufacture is also undertaken in Australia.

Where a substantial process of manufacture in Australia is proved, the Australian content always exceeds the 25 per cent threshold as a matter of fact. Therefore, the requirement is to be removed. Providing evidence of factory costs requires detailed and confidential company accounting information and is a significant and costly administrative burden for manufacturers. Its removal is consistent with the government's deregulation agenda.

Schedule 3 of the bill also clarifies the requirements for Australian producers of made-to-order capital equipment when seeking to revoke a tariff concession order, or object to the making of a tariff concession order. If the TCO relates to goods that are made-to-order capital equipment, Australian manufacturers need only demonstrate that they have the capacity to produce substitutable goods. Australian producers of made-to-order capital equipment do not need to have actually made substitutable goods the subject of a TCO application or revocation.
The amendment also extends the evidentiary window for a local manufacturer to demonstrate capability of production of substitutable goods from two years to five years. The current period of two years is often insufficient for an Australian manufacturer to demonstrate such capability in relation to large-scale capital works, such as unique mining machinery, given the amount of time and labour involved in such manufacture.

Amendments to the Customs Act proposed in schedule 4 of this bill will repeal an obsolete provision relating to the collection of duty on goods imported for a temporary purpose.

Schedule 5 of the bill amends the Commerce (Trade Descriptions) Act to allow an officer to inspect and examine goods that are, or that the officer reasonably believes are, goods prescribed by the Commerce (Imports) Regulations which are imported, and allows the Commerce (Imports) Regulations to prescribe penalties, not exceeding 50 penalty units, for offences against those regulations. These amendments are made in anticipation of the Commerce (Imports) Regulations being re-made in the near future, and also reflect modern drafting practices.

Finally, the amendments proposed in schedule 6 of the bill are intended to confirm the government's clear intent that the powers under the Maritime Powers Act are able to be exercised in the course of passage through or above the waters of another country in a manner consistent with the 1982 United Nations Convention on the Law of the Sea.

I commend the bill to the House.

Debate adjourned.

**Migration Amendment (Family Violence and Other Measures) Bill 2016**

First Reading

Bill and explanatory memorandum presented by Mr Dutton.

Bill read a first time.

**Second Reading**

Mr DUTTON (Dickson—Minister for Immigration and Border Protection) (09:35): I move:

That this bill be now read a second time.

The Migration Amendment (Family Violence and Other Measures) Bill 2016 amends the Migration Act to introduce an assessable sponsorship framework for family sponsored visas.

Under the current system, sponsorship for family visas is currently assessed as part of the criteria for the grant of a visa. Arrangements vary across family visa products, but under current settings for most visas there is little focus on the character of the sponsor, or responsibility that attaches to their sponsorship.

In all instances under the existing arrangements, sponsors are required to give undertakings, however these are considered to be 'unenforceable' because there is no consequence for noncompliance with these undertakings. Generally, these undertakings require the sponsor to assist the visa applicant, to the extent necessary, financially and in relation to accommodation, for two years from the date of grant of the visa or from the applicant's first entry into Australia as the holder of the visa.
Further, full character checks are a mandatory requirement for all visa applicants, but sponsors are only required to provide police checks when there is a minor child included in the application.

In the sponsored family visa program and in particular, the partner visa category, the lack of focus on sponsors has led to problems with:

- sponsors who the department considers to be vulnerable being targeted by visa applicants who are motivated solely on a permanent visa outcome; and
- Australians who have a violent history, including against family members, being able to sponsor non-citizens without having to disclose details of their past to either the department or other parties to the application.

Currently, all visas in the family stream have a sponsorship requirement as part of the criteria for grant of the visa. However, claims of family violence in the program and the lack of sponsorship enforcement mechanisms means that government is moving to improve program integrity and to provide more suitable visa options for victims of family violence.

The improvements introduced with this bill will address these shortcomings by extending the sponsorship framework that currently applies to the temporary work sponsored visa program to the family sponsored visa program as well. Amongst other things, this framework requires the assessment and approval of sponsors, imposes statutory obligations on sponsors; provides for civil penalties and administrative sanctions for breaches of sponsorship obligations; and facilitates the sharing of information between relevant parties. This framework consists of two elements:

1. Provisions in division 3A of part 2 of the act, which provide the necessary heads of power to implement the framework; and
2. Part 2A of the Migration Regulations, which prescribes details for and in relation to the operation of the framework.

This bill will extend relevant aspects of this sponsorship framework to apply to family sponsored visas in order to:

- separate sponsorship assessment from the visa application process for family sponsored visas;
- require the approval of persons as family sponsors before any relevant visa applications are made;
- impose statutory obligations on persons who are or were approved as family sponsors;
- provide for sanctions if such obligations are not satisfied;
- facilitate the sharing of personal information between parties identified in the sponsorship application; and
- improve the management of family violence where it occurs in the family visa program.

To give effect to this extended framework, amendments will be made to the Migration Regulations to:

- prescribe details for and in relation to the operation of the framework for family sponsored visas; and
make consequential amendments to the existing framework for the temporary sponsored work visa program to reflect new terminology referred to in the bill. The introduction of an assessable sponsorship framework for family sponsored visas will improve the integrity of the family sponsored visa program as it will:

- replace the current unenforceable sponsorship framework insofar as it relates to family sponsored visas;
- place greater emphasis on the assessment and approval of family sponsors;
- require the approval of persons as family sponsors before any relevant visa applications are made;
- separate sponsorship assessment from the visa application process to ensure, amongst other things, that sponsorship obligations, rather than undertakings, are imposed and enforceable with civil penalties and administrative sanctions;
- allow the minister to refuse a sponsorship application; and cancel and/or bar a family sponsor where inappropriate use of the program or serious offences are detected—especially those involving family violence; and
- improve the sharing of personal information between parties identified in the sponsorship application and the program more generally.

I commend the bill to the House.

Debate adjourned.

Corporations Amendment (Auditor Registration) Bill 2016
First Reading

Bill and explanatory memorandum presented by Ms O'Dwyer.
Bill read a first time.

Second Reading

Ms O'DWYER (Higgins—Minister for Small Business and Assistant Treasurer) (09:40):
I move:

That this bill be now read a second time.

Today, I introduce a bill which will ensure the ongoing validity of certain auditor registrations from December 2005.

Government regulation of company auditors requires minimum standards of both competence and integrity to help protect investors and other users of financial reports.

This is an important part of a robust financial reporting and auditing framework. Audit quality and independence is important to ensuring the integrity of financial statements. Transparent and credible financial reporting, coupled with an effective audit regime, underpins confidence in our financial system and is essential for sound and sustainable economic growth.

The bill remedies the legal uncertainty surrounding the Australian Securities and Investments Commission's approval in November 2004 of an auditing competency standard produced by CPA Australia and the Institute of Chartered Accountants in Australia, now known as Chartered Accountants Australia and New Zealand.
In November 2004 certain administrative requirements which legislation required be followed in relation to ASIC's approval were not met. After 1 December 2005 the legal validity of auditors registered in reliance on that standard has been uncertain.

The bill remedies this uncertainty by retrospectively validating the registration of auditors registered under the relevant audit standard. It provides a clear and permanent legislative solution to an issue that has so far been dealt with through a solution that must be periodically renewed. In doing so it reduces compliance costs and increases certainty for business.

The retrospective effect of the amendments will not add any new regulatory requirement. Rather, the retrospective effect of the amendments is necessary to ensure that decisions and actions taken by auditors, ASIC and business which relied upon the enforceability and integrity of the approval are valid. The retrospective operation of the bill provides certainty for those past decisions and actions.

The bill will commence the day after the bill receives royal assent.

Finally, the Legislative and Governance Forum on Corporations was consulted in relation to the amendments and has approved them as required under the Corporations Agreement 2002.

Debate adjourned.

Financial System Legislation Amendment (Resilience and Collateral Protection) Bill 2016

First Reading

Bill and explanatory memorandum presented by Ms O'Dwyer.

Bill read a first time.

Second Reading

Ms O'DWYER (Higgins—Minister for Small Business and Assistant Treasurer) (09:44): I move:

That this bill be now read a second time.


This bill will create a more resilient and stable financial system and provide for the continuing participation of Australian entities in international capital markets.

In doing so, the bill amends six existing pieces of legislation: the Payment Systems and Netting Act 1998, or Netting Act; the Banking Act 1959, or the Banking Act; the Financial Sector (Business Transfer and Group Restructure) Act 1999, or the Business Transfer Act; the Insurance Act 1973, or the Insurance Act; the Life Insurance Act 1995, or the Life Insurance Act; and the Private Health Insurance (Prudential Supervision) Act 2015, or the PHI Act.

In response to the global financial crisis (GFC), the Group of Twenty (G20) committed to improving transparency, mitigating systemic risk and protecting against market abuse in derivatives markets. Significant progress has already been made in pursuit of these aims, in Australia and international over-the-counter derivatives markets.

However, there is still more work to do. The international over-the-counter derivatives market is large, and requires further regulation. The Bank of International Settlements reports
that the notional amount of outstanding over-the-counter derivative contracts was US$553 trillion (at the end of June 2015).

The next significant stage in the post-GFC reform of over-the-counter derivatives is to establish margin requirements for non-centrally cleared derivatives. The Basel Committee on Banking Supervision (BCBS) and the board of the International Organisation of Securities Commissions (IOSCO) have agreed on an international framework, to be implemented by national regulators. These margin requirements are expected to be phased in from 1 September 2016.

However, under existing law, Australian entities may not be able to comply with all of the relevant requirements. Without this bill, they will likely face increasing costs and other barriers to participation in international markets.

This bill creates a facilitative regime which will allow Australian entities to comply with the new requirements, and in so doing, remain globally competitive and efficient traders. The bill does not establish the margin requirements per se, but will complement and support any margin requirements for derivatives and risk mitigation standards set by Australian Prudential Regulation Authority, in accordance with the international framework, and by international regulators.

This bill also resolves other issues of concern to regulators and industry participants in Australian financial markets. For example, this bill strengthens the protection of certain payment systems, settlement systems, exchanges and central counterparties. These are fundamentally important to the stability of the Australian financial system and it is critical that they benefit from robust legal protections in all market conditions.

This bill is a result of careful and rigorous consultation with the Council of Financial Regulators (the Council, which is comprised of the Reserve Bank of Australia, the Australian Prudential Regulation Authority, the Australian Securities and Investments Commission, and the Australian Treasury); as well as a range of industry bodies, market participants and their advisers.

The government has consulted the public on various forms of the measures in this bill, and made a call for submissions on the entire reform package following the release of the draft bill. Submissions primarily came from the financial services sector, including from Australian and international industry bodies and other market participants. As a whole, they were highly supportive of the reforms.

The legislative framework

This bill will ensure Australian law continues to provide a strong foundation for modern, and truly international financial markets; and for the effective participation of Australian entities within them.

This bill establishes a functional and protective framework which is flexible enough to cope with a range of sophisticated financial market structures and inevitable changes in market practice.

It contains reforms which are technically sophisticated and which are expected to provide a pragmatic and practical regime for market participants and their advisers.
This bill does not impose onerous regulation. Rather, it allows entities which are subject to Australian law to provide, and enforce rights in respect of, margin provided under derivatives transactions in accordance with internationally developed regulatory requirements. It does this by expanding the protections afforded to close-out netting, to cover the enforcement of security.

This bill resolves an inconsistency in Australian law as to the circumstances in which a counterparty to an Australian regulated body may exercise its termination rights (that is, when it can close-out transactions related to a contract). This brings Australian law into line with international best practice, and supports efficient resolution of Australian financial institutions in distress.

This bill strengthens the protection of certain payment systems, settlement systems, exchanges and central counterparties. These are fundamentally important to the stability of the Australian financial system and require robust legal protections in all market conditions.

This bill also contains a number of regulatory powers to allow the government to move quickly to adapt to significant upheaval in financial markets and any events which could otherwise threaten systemic stability.

In addition to the reforms I have described, the bill also contains a number of more technical and consequential amendments to certain Australian acts related to Australian financial markets.

The new regime draws on a wealth of sources. It builds on lessons learned in other jurisdictions, including in the United Kingdom and European Union, the products of extensive consultation, and the input of technical experts.

**MINCO approval**

This bill will alter the effect, scope or operation of the corporations law. Accordingly, as required by clause 510 of the Corporations Agreement between the Commonwealth, the states and the Northern Territory, the Commonwealth has notified the states and the Northern Territory of the bill.

**Summing up**

This bill advances the Australian government's reform agenda for financial systems, by enhancing the integrity and safety of the derivatives markets in particular, and the financial system as a whole.

Passage of this bill will complement other important reforms to the regulation of Australian over-the-counter derivatives markets, and corresponding international efforts.

Passage of this bill will ensure Australia maintains its position as a regional financial centre with a strong regulatory and legislative framework, and that Australian entities can continue to transact with domestic and international counterparties—supported by Australian law.

Debate adjourned.

**COMMITTEES**

**Membership**

The DEPUTY SPEAKER (Mr Broadbent) (09:51): The Speaker has received a message from the Senate informing the House that: (a) Senator O'Sullivan has been discharged from
the Parliamentary Joint Committee on Human Rights, and Senator Paterson has been appointed a member of the committee; (b) Senator Reynolds has been discharged from the Joint Standing Committee on the National Disability Insurance Scheme, and Senator Paterson has been appointed a member of the committee; and (c) Senator Paterson has been appointed a participating member of the Joint Select Committee on Northern Australia and the Joint Select Committee on Trade and Investment Growth.

**BILLS**

Transport Security Amendment (Serious or Organised Crime) Bill 2016

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Mr ALBANESE (Grayndler) (09:52): Aviation and maritime security should be above partisan politics. It is the responsibility of any federal government of any political persuasion to ensure that our nation's transport security arrangements are fit for purpose and up to date with the security threats of the day. It is equally the responsibility of any federal opposition to scrutinise proposals put forward by the government in the spirit of cooperation, offering advice where it can while avoiding needless political partisanship. That is the approach that Labor has always taken over my 20 years in this parliament, and for the most part it has been the approach of the coalition.

The member for Wide Bay and I had much conflict over transport policy over the many years that we shadowed each other prior to his recent decision to step down from the frontbench and the leadership of the Nationals and, therefore, the Deputy Prime Ministership. But during that time we worked together on the serious issues that related to the safety of the travelling public, regardless of which of us was in government. I am sure that the new Minister for Infrastructure and Transport, Darren Chester, will take the same approach. However, I want to point out to the minister that this bill, toughening background checks on Australian aviation and shipping workers, comes as the government is actively encouraging Australian shipping companies to sack their Australian crews and replace them with foreign crews whose background is simply not subject to the same level of checks. Indeed, yesterday afternoon we learnt of yet another Australian crew being sacked and replaced by a presumably foreign crew. I refer to BP's decision to terminate use of the British Loyalty oil tanker and sack its Australian crew. I will return to that point later in this contribution.

While this legislation seeks to ensure that Australian workers in airports and ports have no links to organised crime or terrorists, the government is pursuing an approach to the maritime industry that actually undermines that goal, because it undermines the very presence of an Australian flag on the back of ships around our coasts and the presence of Australian mariners on those ships. That makes no sense. That is why I have not just referred to the economic and environmental consequences of an explicit policy that favours foreign ships over Australian ships around our coast. The policy also has national security implications.

As I referred to a moment ago, the world of transport safety is a dynamic one. The frequent emergence of new threats requires constant vigilance on the part of law-makers. For example, in the 20th century no-one would have imagined the huge changes to the world's airports that were made necessary by the terrorist attacks on New York on 11 September 2001. We have to
respond to threats as they arise, and we also have to anticipate what those new threats are and take actions in a precautionary way, if we deem them to be necessary. We should take proper advice and not play politics with national security.

When introducing this legislation, the member for Wide Bay said that it was part of the government's response to the recommendations of last December's report from the National Ice Taskforce. The task force found that 200,000 Australians use the crystalline form of methamphetamine, also known as ice. It called for stronger law enforcement measures to tackle the trafficking of the drug, including toughening background checks made on people seeking Aviation Security Identification Cards and Maritime Security Identification Cards.

In response, this bill proposes strengthening the Aviation Transport Security Act and the Maritime Transport and Offshore Facilities Security Act. These are laws that were created in the wake of the 9/11 attacks. In their current form, they are designed to prevent unlawful interference in the aviation and maritime sectors that could cause damage to passengers, crew, workers or property. They are aimed at preventing terrorist attacks on airports, ports, aircraft and ships. They ensure that before any port or airport worker is granted an identity card, he or she is subject to strict background checks to ensure that he or she has no connections to terrorist groups. The bill before us today seeks to broaden the scope of these checks to also include checks on an applicant's background for links to, 'serious and organised crime'. It, therefore, adds to the existing laws a secondary purpose aimed at preventing drug trafficking.

Labor will not oppose this legislation in the House of Representatives. We agree that parliament should respond to the recommendations of the National Ice Taskforce with respect to drug trafficking. We need to focus on law enforcement as well as helping addicts with treatment. However, the opposition does have concerns about this bill, relating to the possibility of unintended consequences. That is why we reserve our position when it comes to the Senate, after there is a proper, open and transparent process to make sure that there are not unintended consequences of this bill. I appreciate the fact that the minister ensured that I had a departmental briefing on this legislation. Hence, we will not be moving amendments at this stage in the House of Representatives or opposing the bill.

We want to make sure that these issues are not partisan, but we also want to make sure that combining checks relating to terrorism and organised crime is the most appropriate way to deal with maritime and aviation security. Specifically, we question whether the addition of an organised crime check to the existing terrorism check might inadvertently affect the level of rigor that applies to the terrorism check. That is a standard which applies to security in the transport sector. There are very specific reasons why, for example, we check for the presence of certain goods being carried on aircraft and do not check for others. We do it so that those people responsible for the checks can concentrate on what can cause real damage if someone acts inappropriately, for example, on an aircraft. That is why through the changes I made as aviation minister we deemed that the previous ban, for example, on cutlery on aircraft was not appropriate given the circumstances of what could occur on an aircraft. We constantly have to update these regulations and laws. I understand that. At that time that practical change received bipartisan support—eventually—from the then opposition.

We know from events in New York the consequences of terrorist infiltration of aircraft. We know that one terrorist attack on an aircraft can literally cost thousands of lives and billions of dollars. That is why the ASIC and MSIC card regimes were brought into effect. It is essential
that authorities maintain a laser-like focus on protecting the travelling public. The parliament must be very careful about making changes to existing security arrangements without serious and widespread consultation. The last thing we want to see when dealing with drug trafficking is our efforts compromising transport safety. That is why Labor has already moved to establish a Senate inquiry on this matter. Call it due diligence. We would like to hear a range of views on how transport security checks are working and how the system might be affected by the proposed change.

I stress again that the opposition understands that the intent of this legislation is to address drug trafficking and specifically the scourge of ice that is having such a terrible impact on so many of our communities, particularly those in rural and regional Australia. The impact on young people is quite horrific. It is a drug that leads to violence, break up of families and literally death and destruction in local communities. We as a parliament should do what we can to get rid off this scourge, but we also need to ensure that transport security is not compromised in that process.

That is why the new minister across the table here, Mr Chester, should examine these issues carefully. He should also, I think, examine the clear inconsistencies between this legislation's aim of ensuring that maritime workers have no links with terrorists or organised crime and the government's parallel agenda of encouraging greater use of foreign flagged ships crewed by foreign crews. The legislation that was rejected by the Senate last year explicitly stated in its explanatory memorandum and in its regulatory impact statement that it would result in the reflagging of Australian ships with foreign flags and the replacement of Australian mariners with foreign mariners on those ships.

It is unfortunate that, ever since it took office, the government has been seeking to undermine the Australian domestic shipping industry. Last year it attempted to legislate to end any preference for Australian flagged vessels in the domestic cargo trade. This legislation would have required Australian flagged vessels that pay crews Australian-level wages to compete directly with foreign flagged vessels crewed by foreign mariners being paid Third World wages. Obviously, given their lower wage rates, the overseas flagged vessels would have had a competitive advantage. That is why we have labelled this legislation 'Work Choices on water'. That is why the legislation was rejected in the Senate.

Since the Senate rejected that move, the government has sought to achieve its objective through the back door. It has been abusing a provision of existing maritime law which allows the use of foreign vessels for temporary work where no Australian ship is available. The former government introduced legislation that was flexible and gave preference to Australian ships unashamedly but said, where they were not available, foreign ships could be used but that their workers would have to be paid Australian wages under Australian conditions. The new government has abused the fact that this was not protectionist legislation and did not close our coast to foreign ships to indeed close the coast to Australian flagged vessels. That is basically what has happened here. The government facilitating the sacking of 40 Australian mariners by granting Alcoa a licence and allowing it to replace the MV Portland with a foreign vessel is, perhaps, the most explicit abuse of these laws. For decades the MV Portland had taken the raw material in Western Australia around the coast of the Great Australian Bight to Portland where it was off-loaded at the refinery. It then got taken back to Western Australia.
Nothing could be less temporary than a freight task, purely domestic, from one destination to another and return. That was the sole duty of the MV Portland. Yet a temporary licence was granted, even though temporary licences are for temporary work where no Australian ship was available. But the MV Portland, of course, was there, as were those 40 Australian mariners, who were real Australians with real families, earning real wages, paying real Australian taxes, putting real food on the table for their families and contributing to that local regional economy in Portland, and they were wiped out by the ideology of this government. It is quite extraordinary that the visas were given to the foreign crew and that the former minister, the member for Wide Bay, was notified on 17 December that this was going to happen, but he remained silent on it for weeks while those workers and their families defended Australian jobs.

The problem is that Australian authorities have far less awareness of the backgrounds of overseas mariners than they have of local mariners, whose backgrounds have been vetted as part of the process of issuing a Maritime Security Identification Card. That is the truth. We have this legislation before the parliament, which would enhance what are already very rigorous security checks for anyone working in our airports and ports, but we are allowing essentially a free-for-all around our coast and in our harbours on these vessels without any real security checks, and we are favouring that. So if you are working on the dock unloading a ship, or if you are the truck driver taking goods from the port, or if you are anyone accessing that area, then you go through this extraordinary level of security checking already. Yet, if you are on one of these ships from a country in our region,—and a lot of the countries, of course, use Third World workers from the Philippines or from Indonesia or other countries because they pay them Third World wages—which are full of petrol and are in our harbours around the most populated areas of the country, what could go wrong? Yet this government favours it.

In 2012, so you do not have to take my word for it, the Office of the Inspector of Transport Security said with respect to the offshore oil and gas sector—the Office of the Inspector of Transport Security is independent of the government of the day, and it was an office that was established by the Howard government:

As the Australian-based industry and associated employment demands continue to grow, the employee profile of many companies is changing and more foreign workers, generally operating under 457 visa arrangements, are being engaged.

As is the case internationally, the ability to effectively vet potential employees, either through company recruitment processes, Maritime Security Identification Cards (MSICs), passport or 457 visa related checks is essentially limited to basic character style assessment and cannot operate as a genuine security clearance process. These limitations need to be understood and reflected in other and wider complementary security arrangements.

Let me repeat those words of the Office of the Inspector of Transport Security, not my words. They said, 'cannot operate as a genuine security clearance process.' What this means is that while this parliament is today being asked to consider toughening up the MSIC and ASIC process, the government is going out of its way to replace Australians with MSICs with foreign crews which have not been through a proper security clearance process. That is a fact and it is very concerning. I am advised that there are ports in regional Australian where people can access them with nothing more than a passport or a driver’s licence of whatever country they come from. We need to tighten security not undermine it.
The Department of Immigration and Border Protection also has security concerns about the implications of a shift to the use of more foreign flagged ships registered in flag-of-convenience nations like Panama and Liberia. They are ships whose very ownership is often hidden in structures which are far from transparent. In a submission to the Senate inquiry being conducted now into the increasing use of flag-of-convenience vessels in Australian waters, the Department of Immigration and Border Protection warned this government:

... there are features of FOC registration, regulation and practice that organised crime syndicates or terrorist groups may seek to exploit.

It went on to say that, in many flag-of-convenience nations, there was limited transparency about the identity of the owners of vessels. This is the government's own department of immigration's submission. It said:

Reduced transparency or secrecy surrounding complex financial and ownership arrangements are factors that can make FOC—flag-of-convenience—ships more attractive for use in illegal activity, including by organised crime or terrorist groups.

This means that FOC ships may be used in a range of illegal activities, including illegal exploitation of natural resources, illegal activity in protected areas, people smuggling, and facilitating prohibited imports or exports.

These are very serious issues for a government that talks about border security, from a department that is in charge of border control. The Department of Immigration and Border Protection said that flag-of-convenience ships 'may be used in a range of illegal activities', including people smuggling and facilitating prohibited imports or exports. That did not come from the Labor Party. That did not come from the trade union movement. That came from the Department of Immigration and Border Protection. That is why the opposition is concerned about the government's position: there needs to be a consistent attitude towards the national interest and national security when it comes to our coasts.

I note that it has been reported today that the Minister for Immigration and Border Protection recognises that the previous minister's legislation, which was rejected by the Senate, was flawed and understands that there is a need to have a different policy. I say again to the minister, as I have said before in private and in public, that the Labor Party are up for reform that assists Australian shipping, assists productivity and is in the national interest, and we are prepared to work with the government, with MIAL—the peak body for the Australian shipping industry—and with the workforce to ensure the growth of the Australian shipping industry. But we are not prepared to sit back and see that industry simply wiped out, which is what the previous legislation explicitly called for.

So the opposition will allow this legislation to go through the House of Representatives unopposed by us, but we do reserve our right to give consideration to changes to the bill when it is in the Senate, on the basis of the committee inquiry and on the basis of submissions that might be made to it, because we do want to make sure that we get this right and that all of these areas have bipartisan support. I say again: you cannot be tightening up security in ports and airports whilst you are ideologically pushing to remove the Australian flag and the Australian workforce from our coastal shipping.

I refer again to the development with BP that I mentioned earlier in my contribution. The British Fidelity is the last Australian-crewed fuel tanker in service around the Australian...
It takes oil product from Kwinana primarily to Adelaide and other coastal points, with an Australian crew. If this route is now undertaken by a foreign crew, then all of Australia's imported fuel and all other fuel moved around the Australian coast will be done by foreign crews. Think about that. If you do not think there are national security implications to there being no presence of Australian crews when that fuel is moved around the Australian coast, then you have not thought about it very deeply.

And I do not understand how Australia's fuel security is aided by this decision. Our fuel security is so essential to our national economy. I do not know how the minister could possibly have properly applied the act when he issued a temporary licence for a vessel to replace the British Fidelity, knowing, as he must have, that it would be used to facilitate the sacking of Australian workers from work that is done here in Australia.

I say to the minister: he needs to get on top of the national interest here. The National Party, named as it is because, it says, it stands up for Australia's national interest needs to see that, of all of the coalition. I can understand perhaps someone with a small-l libertarian, economic free market philosophy saying there is no need for any Australian flag or Australian presence in this context. Well, there is. There is, due to our economy. But there is also a national security interest here.

I conclude where I began. Transport safety laws are beyond politics. They should also be beyond ideology. That is why we need to have a consistent view on these issues. The government needs to heed the warnings given by experts at the Department of Immigration and Border Protection and by the Inspector of Transport Security, put ideology aside and make sure it acts in the national interest when it comes to national security. We on this side will continue to support the national interest and to do so in a consistent fashion.

Mrs McNAMARA (Dobell) (10:22): I support the Transport Security Amendment (Serious or Organised Crime) Bill 2016. As with any legislation we debate in this House that acts to reinforce national security measures, this bill is an equally important bill to speak to. The purpose of this bill is to amend the Aviation Transport Security Act, otherwise known as the aviation act, and the Maritime Transport and Offshore Facilities Security Act 2003, or the maritime act. The amendments contained in this bill seek to reduce criminal influence at Australian airports and seaports by strengthening the aviation security identification card, or ASIC, and the maritime security identification card, or MSIC, schemes. The bill seeks to provide the regulatory framework to support the introduction of revised eligibility criteria for the ASIC and MSIC schemes to better target serious or organised crime-related offences.

Criminal intelligence coupled with inquiries for extra security measure to combat identified vulnerabilities in the ASIC and MSIC schemes have directly influenced the government's commitment to tightening these security measures.

The provisions within this bill provide effect to the government's 2013 election commitment to reduce potential risks associated with criminal influences at our air and sea ports. The provisions therefore give effect to the government's commitment, as part of the coalition's policy to tackle crime, that people with a relevant criminal history can never receive security clearance to work at airport and seaport entry points.

In addition the bill provides completion to a key action in the government's December 2015 response to the final report of the National Ice Taskforce, specifically the implementation of changes to the eligibility criteria for holders of ASIC and MSIC as a means to disrupt the
supply of the drug ice in Australia. Along with a comprehensive package of actions the government is taking to combat the ice epidemic in Australia, protecting our air and sea ports from organised criminal activity is another important step in stamping out this insidious blight in our community. I am and always have been a vocal advocate for tackling the epidemic of the drug ice that has laid siege to so many in our local communities. I will continue to advocate for any measures that we as a government can take to provide the care, resources and support for users, their families and children and the wider community to overcome the scourge of ice.

While our frontline health staff deal with admissions of users in drug-induced psychosis and while our frontline law enforcement officers tackle the drug and the destruction left in its wake and while our community services staff work tirelessly to support the families of users gripped by addiction and while our schools keep a watchful eye on children who are witness to the atrocities of this drug, we as a government are committed to taking every step imaginable to stem the flow of this abhorrent drug into our communities. Preventing organised criminal groups from being able to smuggle drugs, especially ice, into Australia to be distributed throughout our communities is another paramount step in turning the tide on the ice epidemic.

At present per capita Australia has the highest number of ice users of any other nation in the world and in my own electorate of Dobell frontline services are facing the daily trials of destruction caused by this drug. The National Ice Taskforce did an outstanding job in identifying a holistic approach to tackling the ice epidemic, and I am continually supportive of the government's vigilance in taking every step possible to eradicate the drug in a strategic and coordinated approach. Organised crime is estimated to cost the Australian economy $36 billion a year and presents a serious threat to our national security. The government recognises that organised criminals are devious in their attempts to peddle drugs such as ice and other contraband into Australia through our airports and seaports.

The reforms proposed by this bill are also designed to protect the aviation and maritime transport systems against acts of terrorism and unlawful interference. The reforms enhance the abilities of law enforcement agencies to combat transnational and domestic organised crime through the introduction of additional offences to capture high-risk criminal activities. This government is committed to ensuring Australia is secure and not at risk of exploitation by serious or organised crime.

The August 2015 Australian Strategic Policy Institute special report titled *A web of harms: Serious and organise crime and its impacts on Australian interests* stated:

The harm is seen clearly at the borders, where serious and organised crime constantly challenges the Australian government's right to control imports and exports. By doing so, organised crime compromises biosecurity, evades taxes and introduces items that the community wishes to exclude from the country. The level of harm is hard to quantify.

There's an ongoing and increasing concern about links between terrorism and organised crime in Australia ... These include for instance, terrorist or insurgent groups like the Afghan Taliban or the Colombian FARC, who produce or ship drugs that are consumed in Australia The recent situation in Syria and Iraq, and changes to terrorist recruiting and financing methods, have made such links more prominent over the past year.
Serious and organised crime presents a substantial hazard to Australia’s airports and seaports. In the 2009 submission to the parliamentary inquiry into the adequacy of aviation and maritime security measures to combat serious and organised crime, the Australian Customs and Border Protection Service described serious and organised crime groups’ strategies as infiltrating airports and port and related service providers in the supply chain by gaining employment for their members or associates as airport or port workers—they endeavour to corrupt individuals or groups currently operating within airports and ports to obtain their assistance in circumventing border and security controls.

The high-criminal intelligence organisations exploit inside industry knowledge position and networks of corrupt workers in maritime ports and airports to execute criminal activities, including the movement of prohibited goods such as illegal drugs and their chemical ingredients. I do acknowledge, of course, that the vast majority of those operating within the aviation and maritime sectors are legitimate, ethical employees; there are nonetheless the few who seek to exploit vulnerabilities in businesses or individuals working with port workers and others in the supply chain for the express purpose of providing cover for the criminal activities of organised syndicates. The infiltration and corruption of serious and organised crime groups within airports and seaports is a serious concern. The Australian Customs and Border Protection Service submission notes:

The maritime environment poses the highest risk in relation to the importation of prohibited goods into Australia, as the bulk of illicit imports enter Australia through the sea cargo environment. Serious and organised crime groups seek to increase the likelihood of a successful importation by concealing larger quantities of illicit good within or amongst large items, such as machinery, in the cargo stream.

The Transport Security Amendment (Serious or Organised Crime) Bill 2016 will provide the regulatory framework to support the introduction of revised eligibility criteria for the ASIC and MSIC schemes that will better target serious or organised crime related offences. Under the ASIC and MSIC schemes, identification cards are issued to all personnel, including foreign nationals who legitimately require access to aviation and maritime areas and zones. It provides the capacity for unescorted access for the card holder to secure aviation and maritime zones, including offshore oil and gas facilities. They will be required to have successfully undergone background checks, which are conducted by AusChec within the Attorney-General’s Department. The AusCheck system includes an assessment of information relating to an individual’s identity, criminal history, security assessment, citizenship status, residency status or entitlements to work in Australia. The background check assesses whether an applicant for an ASIC or MSIC is likely to pose a security risk, should they be given clearance within airports or seaports.

This bill will: create an additional purpose in the aviation and maritime acts in relation to aviation and maritime area and zones to prevent the use of aviation and maritime transport or offshore facilities in connection with serious or organised crime; establish a regulatory framework supporting the implementation of harmonised eligibility criteria for the ASIC and MSIC schemes, which better target serious or organised crime related offences. It will also clarify and align the legislative basis for undertaking security checking of ASIC and MSIC applicants and holders; allow for regulations to be made prescribing penalties for offences against the new serious or organised crime requirements that are consistent with existing penalty provisions across the ASIC and MSIC schemes; and insert an additional severability provision to provide guidance to a court as to parliament's intention.
The new eligibility criteria for the ASIC and MSIC schemes to be specified in the aviation and maritime regulations will introduce new offence categories, such as offences under anti-criminal organisation legislation, Foreign Incursions and Recruitment Act and offences related to the illegal importation of goods and/or interfering with goods under Border Force control. Unlawful interference includes conduct that threatens the safe operation of aircraft and airports and ships and ports, which in turn can potentially cause threat or harm to any crew or personnel, passengers, the public or even damage to property. The amendments will apply to all persons required by law to hold an ASIC or MSIC. The bill also provides for regulations to prescribe penalties for offences against requirements made for the purpose of preventing the use of aviation and maritime transport or offshore facilities in connection with serious or organised crime. It also creates a greater consistency between the aviation and maritime acts. Bringing the two into line facilitates transparency and accountability with powers for making regulations and administering both the ASIC and MSIC schemes.

The coalition committed to pursue a zero tolerance approach to corruption in customs agencies and those protecting our borders in our policy to tackle crime. We committed to making sure that people who are or have been involved in serious or organised crime would be prohibited from being able to gain access to or work within our Australian airports or seaports. Coupled with this commitment has been the government's commitment to take emphatic steps to disrupt the supply of ice, as identified by the National Ice Taskforce. The report noted:

Disrupting the ice supply chain through seizures and arrests of key players in importing and trafficking networks remains a critical part of the response to ice. ... An enhanced focus on the supply chain is required, particularly offshore... It is also necessary to remove any potential for infiltration of air and sea ports by organised crime…

Recommendation 24 of a total of 38 recommendations contained in the report is:

The Commonwealth Government should continue to protect the aviation and maritime environment against organised crime by strengthening the eligibility criteria for holders of Aviation Security Identification Cards and Maritime Security Identification Cards; and establishing a legal mechanism to enable compelling criminal intelligence to be used in determining suitability of workers to hold such a card.

The Transport Security Amendment (Serious or Organised Crime) Bill 2016 is expressly addressing this particular recommendation and gives effect to this part of the government's package of actions to tackle ice.

I thank the Hon. Warren Truss, the Minister for Justice and the Minister Assisting the Prime Minister on Counter-Terrorism, Michael Keenan, and all stakeholders for their dedication and commitment to tightening security at our airports and seaports. I commend the bill to the House.

Ms CHESTERS (Bendigo) (10:36): What we have before us is a bill that could, if not scrutinised properly, radically change who works at our airports. I stand today on the Transport Security Amendment (Serious or Organised Crime) Bill 2016 to issue a bit of a 'let's wait and see' and a warning about how changing the eligibility criteria for existing Aviation Security Identification Cards and Maritime Security Identification Cards could affect the workforce at our airports.
Yes, Labor supports well-targeted measures that address serious and organised crime. Those who use our aviation and maritime transport systems as a means to distribute drugs or other contraband into and out of Australia do commit crimes and should be prosecuted. We have seen from the report of the National Ice Taskforce of December last year that there is work that needs to be done not just in enforcement but in supporting people who are seeking rehabilitation and help. Labor did welcome that report when it was released, and we do support measures to refine the ASIC and MSIC system. However, we are cautious about the eligibility criteria that could be changed.

Let us for a moment reflect on who our workers are who currently have these passes in our airports and our maritime industries. What has not been acknowledged—and what many people in this place may not be aware of if they do not talk to workers as they go through the airport as they come to Canberra, and what many Australians may not be aware of—is that it is not just our security officers or our baggage handlers but every person who works air side. So it is everyone who works at the Boost Juice, everyone who works at the newsagency, every single cleaner in the building and every single person who works at Hungry Jacks. Every single person who works in an airport is required to have an ASIC card. We need to make sure that any eligibility criteria that we put forward is targeting those who are at risk of committing serious crime and not targeting those who just want to go to work and get paid for doing a decent job.

I know the Melbourne Airport quite well. In a previous role, I used to represent the cleaners and the security guards at the airport in my capacity as a union organiser for United Voice. At the moment at Melbourne Airport, they are going through a contract change. It is the third contract change in as many years. The first company was ISS. It held the cleaning contract for Melbourne Airport for many years. Then it went to Assetlink. It cleans other airports around the country. Now, the contract has gone to IKON cleaning. Long-term cleaners, cleaners like Victor, who have cleaned at the airport for 15 years and who have an ASIC card, have been told that there is no job for them with the new incoming company. There is no job for them. Despite his safety record, despite his work ethic and record, he has been told by the new company, 'You don't have a job.' So there is a real safety question about who IKON, the contracted cleaning company, will be employing to work at the airport in the future. We need to make sure that any of those new cleaners who come through do pass the relevant safety checks for ASIC. More importantly, we need to make sure that the new criteria does not discriminate in a way that makes it hard for them to do their job.

I am not suggesting for a moment that anyone from the government believes that cleaners are at the forefront of serious crime in this country. But if you are going to change the eligibility criteria for the ASIC and MSIC cards, we need to make sure that we are not bringing into it people like our cleaners and hospitality workers who work at the airport. Victor will be replaced by an IKON cleaner. IKON, like other cleaning companies, does not have the best track record in the cleaning industry. It does rely on subcontracted labour. Again, it brings into question who will be working in our airports. We hope the company will change its mind and give first preference to the cleaners who have worked there for a long period of time people. They are people that the Melbourne Airport and airlines trust. They are people who have demonstrated that they are able to do a good job and who have passed the necessary safety checks.
If you do not have an ASIC card, or if you are waiting for an ASIC card, what currently happens is that you are escorted by another cleaner or by another worker in and out of the workplace. When you are air side, basically you are not able to wander around without being escorted. One of the things that I do question with the eligibility criteria is whether they will be excluding occupation health and safety reps from applying for ASIC cards. Will they be excluding union officials and organisers from applying for ASIC cards? If you are somebody who represents transport workers in the baggage handling area, it would be very hard to do your job if the eligibility criteria is changed and you are no longer able to have an ASIC card. It would be very hard if you are somebody who works for WorkSafe if you are excluded from being able to obtain an ASIC card. These are the practical workplace issues that could be caught up if we do not have proper scrutiny of the criteria and how it changes.

Our airports employ thousands and thousands of people. The Melbourne Airport is the biggest employer in the north. People in the Bendigo electorate—people in Woodend, people in Kyenton—commute from there to work at Melbourne Airport. People who live in McEwen, people who live in Gorton—people who live in the surrounding electorates—make up the workforce at Melbourne Airport. We need to make sure that any changes to the eligibility criteria will not see people currently working there lose their jobs. How strict are these new rules going to be? What offences will be excluded? We cannot take the government's word that it is only serious crime. Is it somebody who may have committed a minor crime when they were younger but who has admitted their mistake, been through the court system and are now working? It could be something that happened 20 or 30 years ago. Will those people who are currently working be excluded from having an ASIC or an MSIC card in the future? So I have a few questions for the government on its changes to the eligibility criteria. How many people currently working as cleaners, baggage handlers and in cafes at our airports will fail these new eligibility criteria? What offences did they commit? Are they minor offences? Are they misdemeanour offences? There are lots of questions that remain unanswered by the government in this debate. Our airports are some of the biggest workplaces in this country. Yes, we must do more to stop organised crime and the import and export of drugs and other contraband. However, we need to make sure that we are not going too far and demonising people within a workforce who may have made a mistake in the past, admitted it, done their time for it—for lack of better words—moved on, have careers and are currently working in our airports.

I mentioned security officers before. Our security officers do a tough job at our airports. Since 9/11 the face of security at our airports has changed. All of them are responsible for ensuring that people have the correct ASIC card. They ensure that all of us who get onto planes are not carrying anything that is inappropriate and that may cause harm. What is interesting is that, whilst the government is so stringent about the actual pass that you have, it is not stringent about the number of visa workers that might be working as subcontractors in our security industry. The government should be backing this up with rules to ensure that every subcontractor that works at an airport is paying and being paid Australian wages and conditions.

As we heard earlier, Australian workers within the security contracting industry, the cleaning industry and the hospitality industry are quite often being undercut by workers who are not being paid the correct wages and conditions in jobs that have been subcontracted out.

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would like to see the government ensure that, in areas like aviation and maritime security, where we want the utmost security, people who have an ASIC or an MSIC card are directly employed, paid the correct wages and conditions, and that the company who employs them is responsible for them and cannot subcontract out their responsibilities.

Unfortunately, too often we have seen breaches of security at some of our Defence bases where the security company has sub-contracted to somebody whose Defence clearance is pending. We do not want to see that happen at our airports. I would like to see the government move forward and make the client more accountable in making sure that people working at our airports are paid the correct wages and conditions and that these are good jobs and have the security that goes with them.

For these many reasons Labor supports the Senate inquiry into this legislation. Let's be clear: transport security is a mission that needs to be clarified. We need to make sure that we are targeting our rules and focusing on law enforcement to stop the drugs coming in and the contraband coming in and going out of Australia. The last thing we want is our agencies spending too much time reviewing eligibility criteria and having to go back and give special consideration to the one individual who may have made a minor mistake in their life 20 years ago. It takes bureaucracies a lot of time dealing with and wasting resources on going after the cafe worker, the cleaner—someone like Victor, who has worked at the airport for 15 years—someone who has worked in security for a long time or someone who has worked in hospitality at the airport for a long time. We want to make sure that our agencies in this space are doing everything that they can to go after the real crooks—not the cleaners, the cafe workers and the baggage handlers, but the people who are doing the wrong thing.

I will finish on the point that I raised earlier—that is, the other people who access airside. We need to make sure that these eligibility criteria do not exclude union officials. We know that this government has a vendetta against unions. We know that they will do whatever they can to stop unions from being able to represent workers. We need to make sure these eligibility criteria do not exclude safety officers, whose purpose in going to the airport is to make sure the workplace is safe and that people are being treated properly and being paid the correct wages and conditions. We need to make sure that the eligibility criteria are not going to exclude people who are turning up to work to do a decent job. We need to make sure that the agencies in this space are not chasing after cleaners and hospitality workers and that they have the resources to go after the people who are doing the wrong thing.

Drugs are an issue in our community. There is an issue, and we need to make sure we have the right framework to deal with it. We need to make sure that we have the right resources in place to support people when they say, 'I need help and rehab.' It is disappointing that we again have bills coming into this place that focus on one aspect of the drugs and ice crisis that we have in this country. We all want to see this government put more effort and funding into front-line support services, for people who may want rehabilitation services; into our health agencies, who are doing the tough work on the front line; and into our hospitals and community groups.

It is time that the government got the balance right between supporting work on the ground through our not-for-profits and our health agencies and legislation like the bill we have before us. I look forward to the Senate inquiry and hope the government answers some of the questions that I have raised in this debate.
Ms LANDRY (Capricornia) (10:51): I am pleased to rise today and join my colleagues to talk about the Transport Security Amendment (Serious or Organised Crime) Bill 2016. I congratulate my friend and colleague the Hon. Darren Chester on his appointment as Australia's new federal Minister for Infrastructure and Transport. I look forward to hosting the minister in his new role in my electorate of Capricornia again very soon.

Capricornia is a vast area with many access points by sea and by air. The amendments we are reflecting on today are an important measure to safeguard our nation, people, agriculture and industries from the impact of organised crime.

In the past, a number of reviews have revealed that serious and organised criminals have been exploiting secure maritime and aviation ports for criminal purposes. Our amendments aim to stamp that out. Currently, anyone who has regular access to secure areas at Australia's regulated airports or seaports is required to hold either an aviation or a maritime security identification card. This bill ensures that people with a relevant criminal history can never receive such a security clearance to work at any Australian airport or seaport. In doing so, we are delivering on our coalition's policy to tackle crime.

This marks a big point of difference between our solid Turnbull-Joyce government and a chaotic Labor Party. Under Labor, people with a criminal history were able to get a security clearance to work at ports and airports where cargo comes in and out of our country. On some occasions, these workers were found to be acting corruptly by aiding criminals and facilitating illegal smuggling operations. This allowed for narcotics and dangerous drugs to enter Australia more easily via seaports and airports.

In December 2015, our government's National Ice Taskforce reported a substantial increase in ice imports to Australia in recent years, mainly via our airports and maritime ports. In fact, over five tonnes of ice was seized at the Australian border from 2010 to 2015. Alarmingly, there is a growing trend of ice use in regional Australia, and this must be appropriately addressed. Tighter security procedures at our airports and shipping terminals will help to crack down on ice trafficking. Banning criminals from obtaining work passes on these sites will also help.

Last year, I was pleased to facilitate a high-profile ministerial hearing in Rockhampton to discuss the local impact of ice in my electorate of Capricornia. It was attended by the Minister for Rural Health. Local ambos, the front-line medicos who help us in an emergency, described the fear and danger of treating young people who are high on ice in the streets. And, sadly, parents described the devastating impact of ice on their children. They described how the behaviour of a teenager hooked on ice also harms siblings and family members. Crystal methamphetamine is a significant issue for Central Queensland. I was shocked to learn that ice was more commonly used in regional and remote areas like mine and has even made its way into some primary schools in the country. One delegate, who operates a rehabilitation service in Rockhampton, told of how he was inspired to help because his own daughter was an ice addict. Local police say that ice addicts account for violent crimes, armed hold-ups and break-ins to obtain cash to feed their habit, while the director of Rockhampton Base Hospital's emergency department reported that ice addicts who fall into a violent psychosis were a danger to themselves and to other patients and families in the hospital waiting rooms. Drug pushers are targeting regional Australia because they can get some of the highest prices in the world for ice here.
Tackling the ice scourge that is harming so many communities is a top priority for our coalition government. Nationally, statistics show the growth of ice and meth use is very alarming. One in 14 Australians have tried ice, and 200,000 Australians have used ice in the past 12 months. Meth or ice imports jumped from five per cent of all illegal drug imports in 2011 to 59 per cent in 2014. The rate of people receiving treatment for meth use has doubled in Australia in the last three years.

Our Australian government's National Ice Taskforce inquiry has been a positive step to help identify ways to combat the issue through health, education and law programs. The Transport Security Amendment (Serious or Organised Crime) Bill 2016 will safeguard against unlawful interference with our aviation and maritime transport sectors, through which ice is often imported and distributed.

In the meantime, people in Central Queensland, fed up with the impact of the drug ice, can take action by dobbing in a local drug dealer. Last week, I joined police, Crime Stoppers and civic leaders to launch a Dob in a Dealer campaign in Rockhampton to combat the ice epidemic. The Turnbull-Joyce coalition government is partnering Crime Stoppers and providing $1 million to fund this campaign. The aim is to encourage local people to contact Crime Stoppers in a bid to help tackle the manufacturing and distribution of ice in this area. Crime Stoppers plays a valuable role in collecting information from the public to help police. I urge everyone to say, 'Enough is enough,' and to rid our streets, parks, neighbourhoods, airports and shipping ports of ice dealers, who are profiteering and leaving a trail of sick and desperate users, not to mention devastated families. The Dob in a Dealer campaign will help send a clear message to local and international drug kingpins targeting Central Queensland that they do not want them operating here. To dob in someone who is manufacturing or dealing in ice, call Crime Stoppers on 1800 333 000 or go online at crimestoppers.com.au. If we can stop organised criminals from peddling ice, we can potentially save lives.

The Transport Security Amendment (Serious or Organised Crime) Bill will make our ports and airports more secure to combat ice being smuggled across our borders. I commend this bill to the House. Thank you.

Mr THISTLETHWAITE (Kingsford Smith) (10:58): The Transport Security Amendment (Serious or Organised Crime) Bill 2016 amends two acts that cover aviation security and maritime security respectively to add an additional purpose to these acts to prevent the use of aviation and maritime transport in connection with serious and organised crime.

Organised crime is a blight on our nation. The Australian Crime Commission conservatively estimates that serious and organised crime costs the Australian economy $15 billion each year.

Unsurprisingly, considering the huge sums of money involved, those who perpetrate this type of crime are becoming more sophisticated, more devious and more determined. Their aim is to always keep one step ahead of the law, and we are seeing quite a bit in modern times just how sophisticated some of the crime networks are, particularly those associated with money laundering and drug crime. Organised criminal groups involved in international drug trafficking are diversifying. They are no longer trading in one drug or commodity; some groups have begun trafficking in a number of commodities, including multiple drug types in the same shipment. Cooperation between organised crime groups is becoming more apparent,
as is the intertwining of different types of criminal activities being undertaken by some organised crime groups.

As the member for Kingsford Smith, my community—our community—is home to the largest airport and the second-largest container port in the country. So our area is the gateway through which many organised criminal gangs seek to traffic their drugs and illegal goods and substances, to gain access to the Australian market, and over the course of the last decade in particular we have seen the Australian Federal Police and the Australian Crime Commission foil a number of very big and very sophisticated attempts at the airport and the port—in particular, to smuggle drugs into the country.

Those busts led to a review of the operations of our security and the border force laws. The review was undertaken when the member for Blaxland, Jason Clare, was the minister, and it led to a number of reforms in the latter years of the previous Labor government. Those reforms, it is pleasing to see, have been taken up on a bipartisan basis by the current government. The reforms relate to changes to accreditation around ports and airports for people who are employed by organisations to work in these areas, to cracking down and strengthening the criteria and the testing of people's criminal records before they are given employment in these areas, and, of course, to extra law enforcement powers that have been quite effective.

Marine ports such as Port Botany are large, with significant workforces, and this creates certain difficulties for effective regulation and security, which can leave open loopholes for criminals and criminal gangs to exploit. Airports too can be subject to criminal infiltration, making levels of security, screening and vetting vital to preventing the proliferation of criminal behaviour. It is of course vital that we maintain strong processes to ensure that our borders and the staff that patrol them are resourced sufficiently to do this important job in the most effective manner possible.

Labor supports well-targeted measures that address serious and organised crime. Those who use our aviation and maritime transport systems as the means to distribute drugs and other contraband into and out of Australia commit crimes. We know it happens, and unfortunately it happens quite regularly. A recent example I can point to was the seizure of 22 kilograms or $23 million worth of methamphetamine, or ice, and one kilogram of cocaine from a cargo ship at Port Botany. This seizure took place only a couple of months ago, in January. Also in January there was another seizure at Port Botany of almost 500 kilograms of illegal drugs, including 159 kilograms of ice and 340 kilograms of ephedrine, a precursor to methamphetamine. Concealed in three shipping containers that arrived in Sydney on 1 January—on New Year's Day—was this contraband. This haul had a street value of more than $105 million.

So we know that the syndicates are becoming more sophisticated and that we need to ensure that our law enforcement agencies are equipped with the necessary backup and laws to ensure that they can enforce and uncover these crimes whilst they are taking place, and Labor of course supports sensible and effective measures to minimise this trade, detect the perpetrators and bring them to justice.

The National Ice Taskforce reported in December last year. It was chaired by former police Commissioner Mr Ken Lay. The report was welcomed by Labor. We supported measures to align and refine the Aviation Security Identification Cards or ASICs, as they are known, and
the Maritime Security Identification Cards, or MSICs, to ensure that persons accessing secure areas around airports, ports, aircraft and ships are subject to proper background checks. Labor also welcomed the release of the report and noted that:

Despite the best efforts of officers on the ground, law enforcement efforts have actually failed to halt the supply of ice even though there have been increased seizure and arrests rates.

To divert for a moment, one of the important recommendations and realisations that was made by Ken Lay and the Ice Taskforce was that, unfortunately, with respect to this issue, we cannot arrest our way out of it—that simply pumping more money into law enforcement when it comes to ice is not the answer and that we do need to look at rehabilitation and harm minimisation programs.

There has been a stark contrast between the approach of this government and the approach of the New Zealand government when it comes to tackling ice. In New Zealand, as a result of an inquiry similar to that of the Ice Taskforce, they devoted almost all of their additional funding to rehabilitation and harm minimisation programs. The evidence is that they are getting better results in New Zealand than we are in Australia because in Australia we spend a very low proportion on those programs. I think it is close to 70 per cent of the funds that are expended in tackling ice and other drug problems in our community go to law enforcement and only about 11 per cent of the funding goes to harm minimisation. We do really need to look at the mix of that funding and whether or not we are being effective. Reports from the Ice Taskforce and evidence that the problem is growing, that more and more people are being arrested for this, going to jail, coming out worse and getting back on the ice—the problem proliferating in our community—are something we need to seriously consider.

The current purpose of the Aviation Transport Security Act 2004 and the Maritime Transport and Offshore Facilities Security Act 2003 is to establish regulatory frameworks to safeguard against 'unlawful interference' in aviation and maritime operations. These acts were created in a post-September 11 risk environment. 'Unlawful interference' is currently defined, in both acts, as being acts that impede the operation of airports, aircraft, ports, offshore facilities or ships, or which place the safety of ships or aircraft at risk—with exceptions for mere advocacy, protest, dissent or industrial action. The focus is, accordingly, on targeting behaviour that may cause death or other harm to passengers, workers or the general public, including damage to property.

The changes proposed for these acts will add a new, secondary purpose to both acts, as per above, and administer this through changes to eligibility criteria for existing aviation security identification cards and maritime security identification cards. There are approximately 130,000 ASIC and MSIC on issue. In respect of what is proposed, Labor has identified that there is a potential risk, that widening the purpose of transport security legislation will confuse the two missions of transport security and targeting serious or organised crime in the transport system. Both these tasks are important. The question is whether achievement of both is best done via the mechanism here, and it is still in doubt.

For this reason, Labor has indicated it will refer this bill and these important reforms to a Senate inquiry, for the Senate to have a look at those issues of the purpose of transport security legislation and whether or not we are confusing the two missions of that particular legislation. Otherwise, I am happy to add my voice to the importance of ensuring that our aviation and maritime security legislation is first class and ensures we are doing all we can to
keep pace with the sophistication of crime syndicates and networks that are posing a big risk to the productivity of our nation and, ultimately—unfortunately—doing a lot of harm to our community through the drug trade.

Mr HOGAN (Page) (11:10): I rise to support this Transport Security Amendment (Serious or Organised Crime) Bill 2016. The current ice problem is not some nightmare based in a distant land. It is on our streets, in our towns and in our homes. The unfortunate addicts are real. They are in our communities. They are our neighbours and family members. Between 2010 and 2014 the amount of ice seized at the Australian border grew almost 60 times. Police made record busts and 26,000 arrests for possession or distribution of this drug.

This bill will ensure that people with a relevant criminal history can never receive a security clearance to work at Australian airports and seaports. It will make it harder for drug dealers to bring ice into our country and our community. Organised crime is a serious threat to our security and prosperity as a nation. Recently, the Australian Crime Commission estimated that organised crime cost the Australian economy $36 billion annually. In 2013, the government made a commitment to ensuring that people with a history of serious or organised crime would not receive a security clearance to work at our Australian airports and seaports. In 2015, the government also committed to comprehensive action on the drug ice. The National Ice Taskforce, in its final report released late last year, estimated that there are currently well over 200,000 Australian users.

The National Ice Taskforce identified as a clear priority the need for targeted and coordinated law enforcement efforts to disrupt the supply of ice, specifically by protecting the aviation and maritime environments against organised crime, by strengthening the eligibility criteria for the aviation and maritime security identification card schemes also known as the ASIC and MSIC schemes.

The Transport Security Amendment (Serious or Organised Crime) Bill 2016 will amend the Aviation Transport Security Act 2004 and the Maritime Transport and Offshore Facilities Security Act 2003, aimed at reducing criminal influence at our airports and seaports by strengthening the ASIC and MSIC schemes. The aviation and maritime acts establish a regulatory framework to safeguard against unlawful interference with the aviation and maritime sectors. Unlawful interference is defined in the aviation and maritime acts as conduct that threatens the safe operation of aircraft and airports, ports and ships, and behaviour that may cause harm to passengers, crew, aviation and maritime personnel and the general public, or damage to property.

This bill will create an additional purpose to prevent the use of aviation and maritime transport or offshore facilities in connection with serious or organised crime. This additional purpose will only apply to the administration of the ASIC and MSIC schemes and not to the regulation of the aviation and maritime sectors more broadly. The ASIC and MSIC schemes are important security measures that are intended to protect both sectors. They require all persons, including foreign nationals, who require unescorted access to secure aviation and maritime areas, including offshore oil and gas facilities, to undergo a comprehensive background check. The background check includes a criminal history check, a national security assessment and, for non-citizens, an immigration status check.

Under the current system, if an applicant is convicted of a wide range of serious and minor aviation or maritime security related offences, this person is likely to be given an adverse
security status. The list of aviation and maritime security relevant offences is contained in the Aviation Transport Security Regulations 2005 and the Maritime Transport and Offshore Facilities Security Regulations 2003 and is collectively known as the eligibility criteria for the ASIC and MSIC schemes. Applicants who receive an adverse security assessment are ineligible to be granted an ASIC or MSIC. However, they can make an application to the Secretary of the Department of Infrastructure and Regional Development for discretionary approval to be granted, depending on the nature of the offence.

The amendments proposed by the bill provide the regulatory framework to enable the introduction of new eligibility criteria for the ASIC and MSIC schemes. The new criteria better target serious or organised crime and will ensure that people with a history of serious or organised crime do not receive clearance to access secure areas and exploit our aviation and maritime sectors. However, modelling suggests that the new eligibility criteria will also result in more people with minor criminal offences being found eligible, without needing to go through the discretionary card process.

The new eligibility criteria will be set out in the aviation and maritime regulations and introduce additional categories of offences such as offences under anticriminal organisation legislation, foreign incursion and recruitment offences, illegal importation of goods and interfering with goods under Border Force control. Currently, the same offence can have different implications depending on whether you are applying for an ASIC or an MSIC. The bill will provide for the alignment of the eligibility criteria in the aviation and maritime regulations so that the same criteria apply across the aviation and maritime sectors.

The bill also promotes greater consistency between the aviation and maritime acts. The change will also result in greater transparency and accountability, with express regulation-making powers for the administration of the ASIC and MSIC schemes, rather than the current reliance on general regulation-making powers in the act. Specifically, the bill will amend the maritime act to clearly provide for all persons seeking to access secure maritime zones to undertake background checks. This change in the bill seeks to reinforce and clarify the legislative basis for a system that is already in place in administering the ASIC and MSIC system and reflects existing provisions in the aviation act.

This bill will continue to give effect to Australia's international obligations under the Convention on International Civil Aviation, the International Convention for the Safety of Life at Sea and the International Ship and Port Facility Security Code. It will also improve the government's ability to combat transnational and domestic organised crime.

Importantly, this bill implements one of the government's key strategies in the fight to combat the drug ice. In December last year, the National Ice Taskforce, chaired by Ken Lay APM, released its final report, which made 38 recommendations across five priority areas. One of these recommendations, adopted by the government in its response to the final report, was to continue to protect the aviation and maritime environments against organised crime by strengthening the eligibility criteria. This bill will give effect to this element of the government's comprehensive package of action. I commend this bill to the House.

Ms Kate Ellis (Adelaide) (11:17): I rise to make a very brief contribution to this important debate on the Transport Security Amendment (Serious or Organised Crime) Bill 2016. I reiterate some of the comments made earlier by the member for Kingsford Smith, who I think made a very interesting contribution. The shadow minister has worked so hard in this
area for such a long time, and I commend his comments to the House. My colleague the member for Perth, who is now present in the chamber, will now make a contribution to the debate.

Ms MacTIERNAN (Perth) (11:18): Mr Deputy Speaker, I do apologise for delaying the House. I thank the member for Adelaide for very kindly stepping in to speak in my absence.

Labor are supporting the thrust of the Transport Security Amendment (Serious or Organised Crime) Bill 2016. I really want to use this debate as an opportunity to raise our deep concern about what is happening with the government's policies on the granting of visas and how this must be compromising safety and security in our ports and in our coastal waters. I find it almost incomprehensible that we could be jumping up and down and talking about the degree of concern that we have about maritime and aviation safety—I will be focusing on the maritime issues today—while at the same time we are opening the floodgates to people coming into this country with very minimal, if any, checks whatsoever.

In their ideological determination to crush the union movement and to crush working conditions for seafarers, the government, led in particular in this area by Minister Michaelia Cash, have been freeing up the introduction of poorly paid foreign workers into Australian coastal waters. We get a great deal of correspondence from seafarers—from mariners down to deckhands—complaining about what they are seeing. They are obviously concerned about their employment levels and their opportunities for employment and the opportunities for younger people to gain experience in the maritime industry, but they are also concerned about this disjunction in safety requirements. They are currently going through a new regime of safety requirements, under which it is no longer sufficient just to carry a maritime security identification card with you. The new regulations require the card to be worn externally, and there are significant penalties if you are found to be walking in a maritime security area without your security card being attached to your person in the regulated way. At one level, we see that the legislation before us today is focused not just on terrorism but on organised crime. Yet, at the same time, as I said, we are seeing a whole new class of foreign workers who are not being scrutinised in that same way, not required to meet these security standards and, at the same time, are being paid appallingly low wages.

We could look to the Australian crews that have now lost their jobs on the freight that goes between Kwinana and Portland for Alcoa, where we carry the bauxite over to Victoria for aluminium smelting, and, likewise, the shipping between Weipa and Gladstone. These were tasks that, until three to six months ago, were done by Australian maritime workers. They are tasks that are now being performed by foreign workers who are working for around US$3 an hour—appallingly low rates of pay. Many of the foreign seafarers who are working on these vessels coming into Australia are reporting to their Australian fellows that they are at sea for over a year. A number of captains and pilots were telling us last night that they are working with foreign crews who are just completely exhausted—Filipinos who have been away from home and at sea for over 380 days.

If we are concerned about organised crime, surely we would think that people who are highly stressed out because of the long time that they have been away from home and are being paid appallingly low wages might be in the very circumstances, the very environment, where they would be ripe to be exploited by organised crime. These vessels could well
become the environments where we see organised crime being introduced to, extended in and operating within this country.

It just seems to be, for us, a massive disjunct here. On one hand, we have the desire, the need, the urgency, to deal with organised crime. I have no doubt that we have major problems with organised crime. I have no doubt that our drug laws have enhanced and provided a business model for organised crime for the last hundred years, and so there is no hesitancy on my part or on the part of the opposition to say that we really need to tackle this problem. But what we are doing on the other hand, in opening up and reducing the controls over the people who are coming into our ports and plying trade on our coastal waters, is at complete odds with what the proposed intention of this legislation is. We are bringing more and more people in without any security clearances and we are putting them in very difficult and financially trying circumstances, and again, as I said, we are creating the ecology where organised crime could indeed flourish.

Another factor that we see and another demonstration of this is the sheer number of vessels that are now originating from overseas and plying their trade. There were 7,732 vessels that originated from overseas and plied their trade here in the last six month period and only around 2½ thousand of those, approximately a third of those 7,732 vessels, were actually checked by our officials. That gives you some idea of how big a problem this indeed might be.

We see desertions occurring because of the increased number of vessels and the worsening conditions that are being experienced on these vessels. As international freight rates are going down, we are seeing a very real race to the bottom in international shipping where wages and conditions are declining, and, as a result of that, we are seeing more and more desertions. In the six-month period to December 2015, there were 11 reported desertions from foreign ships in Australia, but, in talking to maritime workers and officers last night, they believe that is a very significant understatement of the number of desertions.

There are a whole range of issues that we could discuss. There are safety ramifications with the ways in which we are allowing untrained workers on these vessels. As I said, because the freight rates are so low internationally, it is a race to the bottom. Ship pilots who are engaged to help steer ships into port are telling us about the incapacity and the lack of knowledge that they are encountering on the part of the captains and crews of these vessels and the fact that these people have been working such long hours that they are exhausted and the fact that they have minimal English and are unable to respond appropriately to the instructions of the pilots. They are seeing now in our ports and in our channels as they are trying to direct these vessels into and out from shore that there are increasing numbers of near misses.

We have a very real problem. It is a problem that has been exacerbated by the absolute obsession of this government to drive down the influence of unions, drive down the conditions for people in the maritime sector and, indeed, drive away jobs. Just looking at the temporary work visas that are being granted, the increase in particular of the use of the 400 visa is quite extraordinary. Those visa numbers went up from just 6,000 in the year 2012-13 to 54,688 in 2014-15. That was a massive jump. Now that we are seeing a pro rata basis for the 400 visa this year we can expect to see around 71,000 of these visas being granted. They are supposedly for skilled workers. We know if the minister gets her way we are going to see no requirements for visas at all. So there will not even be the minimal controls we have at the
moment in the issuing of these 400 visas, and special category visas will disappear. We will have absolutely open season. People will be coming and going without us having any knowledge of who they are.

How can you plausibly argue that you are worried about our ports and our airports being used by organised crime when you are actually seeking to completely and utterly deregulate the entry of foreign crews into this country, you are completely and utterly failing to instigate even the most basic and routine checks on ships that are arriving in this country and you are encouraging an employment environment on ships of shame where people are worked extraordinarily long hours for extraordinarily low pay? We are indeed creating all of the conditions that will see organised crime thrive and prosper. The modest measures that we have introduced here are not going to be at all capable of standing up against the ecosphere that we have created in this deregulation of the maritime environment.

Mr STEPHEN JONES (Throsby) (11:33): It is my pleasure to be speaking on this bill, the Transport Security Amendment (Serious or Organised Crime) Bill 2016, that amends the Aviation Transport Security Act 2004, hereafter referred to as the aviation act, and the Maritime Transport and Offshore Facilities Security Act 2003, hereafter referred to as the maritime act. The purpose of this legislation is to regulate access to secure aviation and maritime areas and zones to safeguard against unlawful interference. The originating legislation had its history in the heightened levels of security concerns that followed the September 11 attacks. That legislation enjoyed bipartisan support across the chamber and this amending legislation continues to do so.

Organised crime is a serious threat to Australia's security and prosperity. There is no contention about that proposition in this place. Those who use our aviation and maritime transport systems as a means to commit organised crimes will not be tolerated. Labor support targeted measures that address serious and organised crime. Sensible measures which are going to minimise this illegal trade and detect perpetrators and bring them to justice are initiatives which Labor will of course support. But there are aspects of this government's policy that touch upon these issues that we will not support. I will have something more to say about what we describe as 'Work Choices on water', because it goes directly to the issues that we are debating in this House today—and that is the security of our borders, particularly our maritime borders.

This legislation rests in part on the recently published recommendations of the National Ice Taskforce, a task force commissioned by the previous Prime Minister. The report was released by the current Prime Minister. The report of the National Ice Taskforce was welcomed by Labor. The report recommended that the Commonwealth government continue to protect the aviation and maritime environments against organised crime. It was particularly concerned with the porosity of our borders and the fact that organised crime gangs are connecting with supply routes through South-East Asia and bringing drugs, not only methamphetamines but also those, through our borders on board ships. In part this is in response to a crackdown on the domestic production of methamphetamines in meth labs in this country. The report recommended that the government strengthen the eligibility criteria for holders of aviation security identification cards and the maritime equivalent, the MSIC. Labor support measures to align and refine the systems. We believe that they are sensible reforms. We must ensure that persons accessing secure areas around airports, ports, aircraft
and ships are subject to proper background checks that are appropriately balanced against the risks that we are attempting to mitigate.

I represent a region where there are several hundred men and women who put to sea out of the port of Port Kembla. The livelihood of the region depends, in part, upon the security and the vitality of the port of Port Kembla. We are critically interested in the security and the issues that this bill touches upon. We have a few concerns and we have said that we will not object or oppose this bill in the House. We believe, given the subject matter that it deals with, that it should be subject to a very efficient Senate inquiry if the course of this parliament allows it. The speculation around this building today and over the last couple of days has been frenzied. It may not be allowed to occur because of the early calling of an election—that is entirely within the government's hands—but it is our view that an efficient Senate committee inquiry into the subject matter of this bill is warranted.

We have a few prima facie concerns. The first is that the bill attempts to amend two acts that deal with aviation security and maritime security. This is in an effort to prevent the use of the services in connection with serious and organised crime. We are concerned about the confusion of priorities for transport security. We support a transport security framework that has a clear purpose in its own right. Transport security is a vital mission for government but it is a very different task from that of targeting organised crime in our transport system. The two acts that this bill attempts to amend currently target unlawful interference in the aviation and maritime sectors. As such, the current focus of these acts is on targeting behaviour which may cause harm to passengers, crew, aviation and maritime personnel, the general public, and damage to property.

This is not, however, related to organised crime, which is a new secondary purpose that the government is attempting to insert into these acts. The government hopes to administer this new purpose solely through changes to eligibility criteria for existing aviation, security and Maritime Security Identification Card holders. Labor believes that there is a potential risk in that widening the purpose of transport security legislation will confuse the two missions of, firstly, transport security and, secondly, targeting serious organised crime in the transport system. We rather suspect that the government is alive to this issue given the severance provisions that have been drafted into the bill. They are both important but the question is whether achievement of both is best achieved via the mechanism that the government suggests. We are not an obstacle to these occurring, we just want to ensure that it is done in the best way possible.

I want to talk about the great risk to maritime security that is not being addressed by this legislation. It goes to the government's increased use of flag-of-convenience vessels for the maritime trade plying our coastline. The government is actively encouraging shipowners to sack their Australian crews and to replace the Australian flag—the red ensign—from the back of those Australian owned ships so that they can replace them with a flag of a foreign nation and replace the crew with a crew of a foreign nation. We are calling it 'Work Choices on water' for very good reason. In fact, the most dangerous place for an Australian flag in Australia today is at the back of an Australian owned vessel. This government is attempting to remove those flags and the Australian crew and to replace them with a foreign crew. What does that have to do with national security? I want to explain exactly what that has to do with national security, because the people that we are talking about, the Australian crew who are
working aboard those vessels plying the coastline, who are coming in and out of our ports, are
required to be in possession of a Maritime Security Identification Card. They have to go
through all of those checks and I can tell you that, if they do not meet those checks, they do
not get a card and they do not get a job on board that ship.

It is a tough system but it is a system which is designed to preclude the sorts of criminality
that the government is intended on excluding from our maritime trade by the bill before the
House today. Let's be clear about this, if you are Australian maritime worker working on one
of those boats, you are required to have an MSIC. No card, no job. What is the situation with
one of the foreign crew who is working on one of those flag-of-convenience vessels? They
are not required to have an MSIC. There is no card requirement for one of those crews.

You have to ask yourself: where are the government's priorities? I want to draw your
attention to the provisions, because they are broad, indeed, and could lead to the exclusion of
somebody getting an MSIC, because the regulations which are supported by the current
legislation have five tiers of exclusion. The highest tier is one that everyone would agree with.
It includes offences such as terrorism, treason, foreign incursion, the recruitment offences,
offences relating to weapons of mass destruction, and offences and crimes and
misdemeanours of a similar sort. People smuggling is also listed as a tier 1 offence. They go
through to tier 2 offences, which are slightly less but also serious, of an adverse finding
against somebody, for example, if they have been involved in threatening or assaulting
persons in or on an aircraft, an airport, a vessel or a port, and the theft of government or
commercial aircraft or vessel. You could understand why this is the sort of person who we
would not want to be carrying an MSIC. We would not want somebody who has been
involved in terrorism or who has been involved in highjacking or somebody who has been
involved in a tier 1 offence or even a tier 2 offence. We would not want a person such as this
working on a ship, whether it is a foreign owned vessel or an Australian owned vessel coming
into our ports, and all the risks that are associated with that.

Tier 5 offences are offences that of course we do not approve of—offences such as theft;
forgery or fraud; offences involving sexual abuse or exploitation of a minor; assault, including
assault of an indecent or sexual nature; affray or riot; and tax evasion. So there are a whole
range of offences that could exclude an Australian from having an MSIC and, therefore, from
working on board an Australian ship.

If a government is seriously concerned about protecting our borders and ensuring that the
crew on board ships—including ships that maybe a couple of months ago were Australian
flagged vessels but today are carrying a flag of convenience, the flag of a foreign nation, and
the crew of a foreign nation—do not have criminal backgrounds, why would it not make the
same rules apply to everyone? You end up scratching your head and saying, 'This does not
add up.' But this is exactly what is happening under this legislation and the policies of this
government. We call it 'Work Choices on water' for a very good reason: it is driven by a blind
ideological agenda to replace Australian crews, including people from my own electorate.

I had the opportunity to catch up with Zach Kinzett, from Shellharbour, in my electorate,
and several other shipping workers. He was one of those seafarers who lost their jobs because
of the government's policy. He was marched off his ship, the MV Portland, by security guards
in the middle of the night. A couple of days later, his entire crew was replaced by foreign
seafarers. He makes the point: 'We should have the right to work in our own country. We pay
taxes, we buy things in this country, we have a mortgage in this country.' He should have a right to work in this country, under its laws. He cannot for the life of him see why he has been excluded from working on board an Australian owned ship, plying its trade in the ports of Australia, and why the rules that apply to him are different from the rules that apply to these foreign workers.

And it is not just Zach. Joanne Kerin from Kanahooka, who I have spoken about in this House before, lost her job aboard the *Alexander Spirit*. She and the other 36 Australian crew that she had worked with for many, many years lost their jobs and were replaced by a foreign crew—no warning, no respect, no concern for Australian jobs.

This is a perverse situation, where we have legislation before the House today to beef up the requirements under and expand the objects of the act to ensure that MSICs and ASICs are being provided to people in the right circumstances and in accordance with the legislation, yet somewhere else we have this massive back door, this massive loophole, that the government has created because of its own ideological obsession with pulling down the Australian red ensign flag on the back of Australian ships and replace it with a foreign flag, and replace the Australian crew with a foreign crew. Yes, it might be allowing the shipowners to pay cheaper wages, but it is doing nothing for national security, and that is what the parliament, as we have said today, are very concerned about. These are the issues that should be traversed when and if a Senate committee gets the opportunity to scrutinise this bill. *(Time expired)*

**Ms Marino** (Forrest—Chief Government Whip) (11:48): I acknowledge that there are some great young people in the gallery today. I rise to speak on the Transport Security Amendment (Serious or Organised Crime) Bill 2016.

There were over three million aircraft movements at Australian airports, with 149 million regular public transport passenger movements through Australian airports, in the year ended December 2015. With such significant numbers of people moving through our airports, the potential for organised crime to take advantage of any gaps is very real. Australia's borders, both maritime and airspace, have been made more secure through significant investment by the coalition government. While the global threat of terrorism is clearly significant, the scourge of organised crime is a very serious issue, and this government is getting on with the job of dealing with it.

This bill implements an election commitment to ensure that people with a relevant criminal history can never receive a security clearance to work at Australian airports and seaports. A number of independent reviews, including the 2011 Parliamentary Joint Committee on Law Enforcement inquiry into the adequacy of aviation and maritime security measures to combat serious and organised crime, have noted that those involved in serious and organised crime are exploiting secure maritime and aviation areas for criminal purposes.

Under Labor, people with a relevant criminal history were able to get security clearances to work at ports and airports where cargo comes into the country. On some occasions, these people were found to be acting corruptly to help criminals and make smuggling operations easier. An example of the results of organised crime activities at our airports was addressed in December 2015, when the National Ice Taskforce reported a substantial increase in ice imports to Australia in recent years. Over five tonnes of ice were seized at the Australian border between 2010 and 2015. Not only did the task force report that airports and maritime
ports are gateways for these imports; it also noted that the growing use of ice in regional Australia must be recognised and appropriately addressed.

In 2013-14 alone, the work of the multiagency task forces targeting criminal exploitation of Australian ports and related supply chain activity at the waterfronts in Sydney, Melbourne and Brisbane resulted in 56 arrests and the seizure of 138 kilograms of illicit drugs and precursor chemicals, as well as the seizure of 177 tonnes of tobacco and seven firearms.

This bill responds to the National Ice Taskforce recommendation to strengthen the eligibility criteria for the aviation security identification card, or ASIC, and the maritime security identification card, or MSIC. As at 31 December 2015, there were approximately 138,000 ASICs and 118,000 MSICs in use.

This measure also responds to recent cases where people with serious or organised criminal backgrounds have successfully challenged on their eligibility to hold a card. This bill will strengthen the government's ability to tackle the supply of the drug ice, the importation of the chemicals used in its manufacture, and the individuals and criminal gangs or syndicates who traffic them. The parents of Australia are particularly grateful for this. The changes will not remove any of the existing appeal rights, and there will be no additional burden on applicants for an ASIC or MSIC. The current eligibility criteria mitigate the risks of unlawful interference with aviation or maritime transport, and do not include a number of offences relevant to securing our infrastructure and border environments. They fail to consider offences from anti-gang and criminal organisation legislation, illegal importation of goods and interfering with goods under Australian Border Force control.

By anyone's standard, persons with a history of committing these types of offences constitute a risk if given unsupervised access to the secure areas of our transport infrastructure. For example, currently a person convicted of the illegal importation of goods is able to receive an MSIC. The new criteria will address these vulnerabilities. People with serious criminal convictions will no longer be eligible to hold either card. This bill takes a proportionate approach to the application of these new eligibility criteria: Less serious offences will require a longer term of imprisonment to become an aviation or maritime security-relevant offence, while more serious offences will only require conviction. This would mean that a single irresponsible or ill-considered act would not automatically exclude a person from the schemes. The shift in focus from low-level or minor offences to higher risk offences related to serious or organised crime means that more applicants will be found initially eligible for an ASIC or MSIC. This will mean these people will be issued their ASIC or MSIC more quickly, reducing impact on their employment and increasing the staff available to employers. This change will be good for aviation businesses around the country, particularly in regional Australia. Aviation links are a crucial part of bridging the vast distances in Australia, and they have been since 1910 when the first powered flight was made. The potential for aviation in this country has been realised ever since.

Existing cardholders need not be concerned. They are already required to self-report relevant offences. On commencement of these measures all cardholders will be required to self-report against offences in the new eligibility criteria. This is hardly a huge change and the intent to further strengthen our borders is prudent. Cardholders with relevant convictions against the new criteria will have their cards cancelled and will no longer have the ability to work unescorted in the secure areas of ports and airports. If you were talk to passengers, they
would tell you they were very pleased about this. All existing appeals processes remain available for applicants. ASIC and MSIC requirements apply to all persons when in secure areas. These are the parts of Australia's air and sea ports that are subject to higher security measures specifically to protect critical or vulnerable aspects of our transport infrastructure—as they should.

I heard the member for Bendigo in her contribution discuss the proposed eligibility criteria for the ASIC and the MSIC. The proposed criteria are set out in the bill and are structured to give the respective agencies maximum flexibility: tier 1, disqualifying offences; tier 2, adverse with any form of conviction; tier 3, adverse with any form of imprisonment; tier 4, adverse with 12 months or more imprisonment; and tier 5, adverse with 30 months or more imprisonment. The new eligibility criteria offer relevant agencies flexibility in managing the ASIC and MSIC scheme, ensuring that there are safeguards against people with a serious criminal background working in sensitive areas of our ports and airports—a very good outcome. The member for Bendigo raised questions about whether the changes in eligibility criteria will prevent union officials or OH&S representatives from accessing airports and ports. She raised these questions in the context of saying that this side of the House was well known to hate unions and uses all means available to break them. I think it is a dreadful shame that the member for Bendigo has injected such spurious suggestions into this debate. It is clear that this legislation is not aimed at union officials or OH&S representatives, and any such suggestion is nonsensical—it is beneath any member of this place to make such a suggestion. It is self-evidently aimed at ensuring the people who work at our airports and ports are people of good character. As the member for Grayndler said earlier, national security should not be a political plaything, and I direct the member for Bendigo to the member for Grayndler's very sound comments. I commend the opposition in a broader sense for supporting this sensible and important legislation.

Organised crime is a serious threat to our national security and is estimated to cost the Australian economy $36 billion a year. We in our electorates frequently see evidence of the impact of serious and organised crime. These amendments deliver on the Australian government's commitment to ensure that people with a relevant criminal history can never receive a security clearance to work at Australia's airports and seaports. The ASIC and MSIC schemes are designed to protect the aviation and maritime transport systems against acts of terrorism and unlawful interference. If we did not do that, the Australian people would hold us to account for that inaction. These changes will boost our law enforcement agencies' ability to combat transnational and domestic organised crime—the very creative sectors that they are—by introducing additional offences to capture high-risk criminal activities. This will mean Australia's airports and seaports are less susceptible to exploitation from serious or organised crime.

As I previously stated, a number of reports have indicated that Australia has become a target for organised criminals from all around the world. Importantly, today's changes will implement the National Ice Taskforce's recommendation to strengthen the ASIC and MSIC schemes to limit the distribution of ice throughout the community. The new criteria will be applied to new applications and applications by existing ASIC and MSIC card holders from 1 July 2016. Given the issues around ice which exist within our communities, I am very well aware that not only parents but a range of individuals and community groups will be very
grateful for any action this government takes to reduce and limit the distribution of ice in the community. This legislation is intent on tackling the impact ice has on families and individuals, the damage it does and the way it ruins lives. I commend this bill, and its intent, to the House.

Mr CHESTER (Gippsland—Minister for Infrastructure and Transport) (12:00): In summing up, I would like to thank all those who have spoken on the Transport Security Amendment (Serious or Organised Crime) Bill—the member for Grayndler and the shadow minister, the member for Bendigo, the member for Kingsford Smith, the member for Perth, the member for Throsby, as well as the members for Dobell, Parkes, Page, Capricornia and Forrest, whom we have just heard from. I note that the opposition supports the bill and has not moved amendments in the House. This continues the bipartisan support we have had for other security measures in relation to transport.

The purpose of the Transport Security Amendment (Serious or Organised Crime) Bill is to reduce criminal influence at Australia's airports and seaports by strengthening the Aviation Security Identification Card, or ASIC, and the Maritime Security Identification Card, or MSIC, schemes by amending the Aviation Transport Security Act 2004 and the Maritime Transport and Offshore Facilities Security Act 2003. The ASIC and MSIC schemes are critical part of securing the aviation, maritime and offshore oil and gas sectors. This bill will prevent the use of aviation and maritime transport or offshore facilities in connection with serious or organised crime by creating an additional purpose in the aviation and maritime acts in relation to access to aviation and maritime areas and zones.

These amendments will provide the regulatory framework to support the introduction of new criteria and harmonise existing criteria for the ASIC and MSIC schemes to better target serious or organised crime related offences. The revised eligibility criteria will be set out in the Aviation Transport Security Regulations 2005 and the Maritime Transport and Offshore Facilities Security Regulations 2003. In addition to the amendments already mentioned, the Transport Security Amendment (Serious or Organised Crime) Bill 2016 will clarify and align the legislative basis for undertaking security checking of ASIC and MSIC applicants and holders. It will allow for regulations to be made prescribing penalties for offences against the new serious or organised crime requirements that are consistent with existing penalty provisions across the ASIC and MSIC schemes and by inserting an additional separability provision to provide guidance to courts as to parliament's intention.

The bill will give effect to the government's election commitment to reduce criminal influence at airports and seaports. People with a relevant criminal history can never receive a security clearance to work at Australian airports or seaports. In addition, the bill completes a key action identified in the government's December 2015 response to the final report of the National Ice Taskforce to prevent serious and organised crime by strengthening the ASIC and MSIC schemes. I commend this bill to the House.

Question agreed to.

Bill read a second time.

Third Reading

Mr CHESTER (Gippsland—Minister for Infrastructure and Transport) (12:03): by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

Registration of Deaths Abroad Amendment Bill 2016
Second Reading

Debate resumed on the motion:
That this bill be now read a second time.

Mr THISTLETHWAITE (Kingsford Smith) (12:04): I will be very brief in my comments on this bill. The bill amends the Registration of Deaths Abroad Act 1984 to resolve the current anomaly with respect to depths of Australian citizens overseas and to clear up some of the current confusion which can cause quite a deal of concern for Australians as they come to grips with the death of a loved one overseas and, importantly, with the settlement of estates associated with that particular person.

The amendment seeks to simplify the process for registering an overseas death by permitting the appointment of a federal Registrar of Deaths Abroad. The circumstances in which the registration of a death overseas may need to occur include: where a foreign government will not issue a death certificate for the death of an Australian citizen, perhaps because there is no body or some other extenuating circumstance; or where a state or territory government refuses to register a death abroad in similar circumstances. The amendments will allow the Registrar of Deaths Abroad to register deaths which could have been registered under the law of a state or territory where the state or territory concerned has provided notice that it will not register such deaths. Such circumstances could include, as I said earlier, the fact that a body has not been recovered or a foreign government will not issue a death certificate.

Currently the act provides that the registrar is not authorised to register a death that may be registered under the law of the state or territory. However, a new paragraph 8 (2)(b) permits the registration of such deaths on the condition that the state or territory registrar concerned notifies the registrar of its decision not to register the death. Under current arrangements, applicants can remain in procedural limbo, as they negotiate with a state or territory government or registrar to register a death overseas. This amendment is intended to simplify that process by providing clear authority for the registrar's discretion where the appropriate notification has been provided.

The principal amendments to the bill are to: provide the foreign minister with the flexibility to appoint a state or territory registrar as the registrar for deaths abroad; validate the prior appointment of the ACT Registrar-General as the registrar for deaths abroad and any previous registrations of deaths under the Registration of Deaths Abroad Act 1984; allow the registrar to register deaths that could have been registered under the law of a state or territory where the state or territory concerned has provided notice that it will not register a death; and remove any references to 'registering officers' from the RDA act to ensure that only the registrar can register deaths under this particular act.

As I said, this is a simple amendment but is one that is necessary to clear up this anomaly, to provide more certainty for Australian families who may be coming to grips with the death of a loved one overseas and to ensure that, importantly, they can have a death, in extenuating
circumstances overseas, registered as quickly as possible by the registrar appointed by the foreign minister.

I commend the bill to the House.

Mr PITT (Hinkler—Assistant Minister to the Deputy Prime Minister) (12:08): In summing up, the bill amends the Registration of Deaths Abroad Act 1984. This is an important measure to prevent the families of those who have died overseas from being unable to register the deaths of their loved ones. The purpose of the amendments is to correct an anomaly which had left some applicants in procedural limbo, unable to register the overseas deaths of family members. These amendments will once more allow the ACT Registrar-General to act as the registrar of deaths abroad. The amendments will also provide the foreign minister with the flexibility to appoint any state or territory registrar as the registrar of deaths abroad.

Overall, this bill seeks to simplify the process for registering overseas deaths, and I commend the bill to the House.

Question agreed to.

Bill read a second time.

Third Reading

Mr PITT (Hinkler—Assistant Minister to the Deputy Prime Minister) (12:09): by leave—

I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

Treasury Legislation Amendment (Repeal Day 2015) Bill 2015

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

to which the following amendment was moved:

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

"the House:

(1) declines to give the bill a second reading because the bill contains provisions which make it easier for employers to flout their superannuation guarantee obligations; and

(2) notes that this is yet another attempt by the Government to undermine Australia’s superannuation system".

The DEPUTY SPEAKER (Mr Irons) (12:10): The question now is that the amendment be agreed to.

Mr SWAN (Lilley) (12:10): This bill, the Treasury Legislation Amendment (Repeal Day 2015) Bill 2015, is part of a disturbing pattern that we have seen from this government not just on superannuation but, of course, in its attitude to the entitlements of people on low and middle incomes right across our country. I think it says something about this government that among its highest priorities in the super system is to make it easier for people to dodge their super guarantee obligations. This very much reflects the approach of the government to
regulation, whether it is superannuation or taxation, or the intersection of the superannuation and taxation system. I think it shows a real pattern of behaviour and where the heart of this government really lies.

The heart of this government really lies, I think, with an overpowered and overpaid financial and corporate elite. Basically, this government dances to their tune. The overpaid and over-empowered corporate elite are trying to, basically, pull down many of the key policy platforms that have driven growth and social mobility in our society and in our economy. Over the last 30 years, Australia has been one of the most successful developed economies when it comes to both economic growth and maintaining social mobility. But the over-empowered and overpaid financial and corporate elite seek to take us down the American road of an increasing concentration of wealth and income at the top, a hollowed out middle-class and an even bigger army of working poor.

These people, who this government represents, are really targeting two areas of policy to achieve their ultimate aim—that is, to continue to put in place a series of policies which in the United States are basically known as trickle-down economics. Give more money to the wealthy and the well to do, and the fruits of that will somehow trickle-down to those in the middle and those at the bottom. But, of course, that has not happened in the United States, where people on middle incomes for over 30 years have not had an increase in their living standards. And, of course, there is a bigger army of working poor. They do not have in that country what we have in this country—which is a progressive taxation system and a decent system of industrial relations with a decent minimum wage and decent minimum conditions for that job.

The policy justification, as I said before, behind measures like the one before us today in this bill and like what the government is trying to do elsewhere in taxation, are all about trickle-down economics. What this government is intent in doing is, basically, seek to put structural inequality into our economy and into our society, and then try to wrap it up in some form of respectable intellectual and policy framework. Year after year we see glossy reports from bodies like the IPA, the Business Council of Australia, the Australian Chamber of Commerce and Industry and all of those bodies that support and run this government. They put forward so-called modelling and claim it to be reputable. But what it is really all about is shifting the tax burden onto low- and middle-income earners and away from corporates and wealthy individuals.

Over the past year we have seen some stunning revelations from the Senate inquiry into corporate tax avoidance. It has exposed how hollow all of these glossy papers and the modelling that underpins them are. It has exposed the unethical behaviour of some of our most respectable companies. That unethical behaviour tears at the very fabric of industry and the trust that the public has, more generally, in the business community. That inquiry has shone a light on the ethically bankrupt and legally questionable tax practices of some of our largest companies.

Corporate tax is a vital part of the Australian social contract. Over the past four years corporate income tax collections have totalled $267 billion. Assuming, conservatively, that 10 per cent of corporate revenue is lost due to aggressive minimisation and evasion, at a minimum the cumulative cost to the budget is $26 billion over four years. That is a lot of
money. We could do a lot of budget repair and a lot of good work in education with $26 billion over four years.

The data released by the tax office shows that over one-third of corporate entities operating in Australia did not pay any tax in the relevant year. Now, of course, among this group there were some that would have done the right thing, but there were some that did not. There are some companies that are serial tax avoiders. When a large number of public corporations are paying no tax that impoverishes all of us. The lost tax revenue must be found elsewhere from other businesses and individual taxpayers or at the expense of funding critical services. Organisations such as the Business Council have a solution to this: ignore it. Their solution to this is to make the punters pay. Their solution to this is to increase the GST by 50 per cent from 10 to 15 per cent.

As this government's tax agenda has lurched from one policy debacle to another—in fact, they are happening daily now—the BCA, through all of this, has been an ever-present voice calling for lower company tax and a higher GST. Rigorous analysis of what the BCA and others have been putting forward shows that it would result in an increased concentration of wealth and income. This would come at the cost of long-term growth because wealth concentration is not wealth creation. Wealth concentration is a drag on economic growth. We know this now from the work that the IMF and many other reputable organisations around the world have produced in recent times. But the Business Council of Australia, the Institute of Public Affairs and all the other fellow travellers who run this government are clueless or do not want to know about this advice.

It is in this context that I was stunned last week to read in *The Financial Review* what one of our leading, respectable businessmen said about tax. The head of the Commonwealth Bank said at *The Financial Review* roundtable that people think businesses are not paying tax, 'when the facts are that they are'. Well, the facts are that many are not. When many do not pay, everybody else—small businesses and individuals—pays, or we pay through the loss of services in health and education. While I acknowledge the Commonwealth Bank is—or may be—meeting its legal responsibilities, many other large, so-called respectable companies are engaged in outright tax evasion. That is what we have seen come out of the Senate inquiry. But the BCA has not spoken out about this once—not once. Yet it has the gall to go public suggesting a 50 per cent increase in the GST when the 30 per cent nominal corporate tax rate is not being paid by all corporates.

The data published by the tax commissioner is incredibly important. Few companies pay anywhere near the 28 per cent rate that the BCA is now arguing for. Few companies even pay anywhere near the 25 per cent rate that the BCA is arguing for. The effective rate for all companies is 24c in the dollar. So the very notion that this 30 per cent nominal rate is making us uncompetitive is a farce and ought not to be considered in any serious debate about taxation. The effective rate is 24c. That is the rate that is being paid by those who are paying their tax, because many are not paying anything or are paying considerably less than 24c in the dollar. Let's consider this fact: if all the companies that reported taxable income paid the full 30 per cent, the additional amount from these companies would equate to more than $11 billion. That is the extent to which people are not paying the 30c nominal rate or a 28.5 per cent rate. The average effective rate is 24c in the dollar.
Then we come to the argument from the BCA, which cites a Treasury roundup paper, which says that two-thirds of the growth dividend of a company tax cut flows to labour, with only one-third flowing to the owners of capital. This is a highly theoretical model based on an internationally-competitive scenario. It does not take into account the rampant tax evasion and avoidance that we are afflicted with. It does not take into account the beggar-thy-neighbour policies implemented by countries like Singapore, where there are many multinationals that have a zero rate. It does not take any of that into account. The zero rate in Singapore acts as a tariff against countries like ours and the good investors in this country. It is a tariff against responsible taxpayers in this country. That is how it acts. There is no way a country like Australia can compete with a zero rate. Even if we were to take the effective rate down to 15, companies would ignore it because they would be seeking to minimise their tax. This is the backdrop to the government's pattern of behaviour. They do not consider these factors when they come along and suggest big shifts in taxation, from an increase in indirect taxation through to a cut in the company rate. They will try to claim that a cut in the company rate will produce all these magical benefits, when the modelling is not realistic and does not, in any way, comply with the real practices that are going on in the community.

Much of this agenda—the BCA, the IPA and all of the other constituent elements of the Turnbull-Abbott government—is all about wealth concentration, not wealth creation. It is nothing like the 1980s and 1990s agenda of the Hawke and Keating governments. What it does resemble is the 1980s and 1990s American style trickle-down economics that I was talking about before. It is an agenda for growing inequality. At their core, Prime Minister Abbott, Prime Minister Turnbull, former Treasurer Hockey and current Treasurer Morrison all have it in their DNA that inequality is good for us because they work on a 'survival of the fittest' ideology. They do not see that the things we do together are the things that make us strong. They do not see an effective role for government to put in place effective long-term national policies like compulsory superannuation—perhaps the greatest achievement of the Hawke and Keating years. It is a savings pool unmatched just about anywhere else in the world. It is the product of a government intervention in the market to ensure that people saved for the long term. It was not just for the good of the individual but for the good of the country. But because it is a collective initiative, it is in the DNA of people who think that inequality is good for us to tear it down.

What we are seeing with this bill is an attempt to tear apart the essential infrastructure of superannuation for ideological purposes. The ideological purpose is to get the government out of the savings part of the economy, which is so important. Whilst we are the 12th largest economy in the world, we are vulnerable as a consequence. We have a small population and a large landmass with heaps of opportunity. We have always been an importer of capital, but being an importer of capital means that you are vulnerable as well. That is where superannuation comes in. It will only ever be achieved if government stands in the middle of the market and makes it a reality.

Our superannuation savings pool is bigger than our GDP. Why did that happen? It was because Labor governments, who are always the governments that put in place the big structural reforms in this country, put it there. When those big structural reforms are put in place, it is always the mission of the Liberal and National parties to tear them down. That is precisely what this bill is about. It is what the government has tried to do in industrial
relations, it is what it is trying to do to Medicare, and it is what it is trying to do with the tax system. It is about tearing up a progressive taxation system and getting stuck right into the basis of fairness in the wage system in our society because, at the end of the day, what the Liberals stand for is trickle-down economics— *(Time expired)*

**Mr Stephen Jones** (Throsby) (12:26): It is a great pleasure to speak after the member for Lilley on this matter. He is a man whose passion and, I argue, whose expertise in the areas of superannuation, which this bill goes to, knows no bounds. When this genus of a bill first burst upon the scene after the 2013 election, it was referred to as the red-tape repeal day bill. When I saw the bill on the *Notice Paper*, I thought that, perhaps, the change in name—the fact that they had dropped the reference to red tape—had led to a change of heart by the government. Then I went to the subject matter of the bill and it became patently clear that nothing could be further from the case.

When it comes to the government, they do not know the difference between red tape and a guardrail. The government see every instance of protection and regulation which has a public good and a public purpose at its core as a target for watering down and redressing. That is exactly what we see in the bill before the House today. The government are completely lost on economic policy. They are talking about a big game but delivering precisely nothing. In these dying days of the 44th Parliament, we thought that we would see bills that went to the heart of economic management. Nothing could be further from the case. They are completely lost on tax. It now appears that they are going to introduce some vanilla form of the Labor policies announced by the Leader of the Opposition, Bill Shorten, but they are not going nearly far enough. They are simply adrift. They cannot get their story straight.

I want to talk about the amendments to the superannuation laws because there is a serious and growing problem in Australia with the nonpayment of superannuation. The Australian National Audit Office has found that up to 20 per cent of employers are not compliant with their superannuation obligations. According to experts, it is absolutely endemic. CBUS warns that Australians are losing somewhere in the vicinity of $2.6 billion a year on superannuation; that is right: $2.6 billion is being lost to workers because of the nonpayment of entitlements. Instead of addressing this issue that affects hardworking Australians, the government is this very day instead introducing a bill which will actually make the problem worse.

Schedule 1 of the bill is the main culprit. It strips down the firm penalties in place for employers who do not comply with their superannuation obligations. The situation is this: where employers do not pay their adequate superannuation guarantee contributions on time, they are liable for a charge that includes an interest component and an administration fee, and rightly so. But the bill makes it easier for those who are seeking to dodge their responsibilities under Australia’s widely respected superannuation scheme. It lowers the base of the calculation of the shortfall charge, decreases the period over which the interest is calculated and removes the administration fee.

For those who work for an employer doing the right thing—and this is the overwhelming majority—these changes will not mean much at all, but, unfortunately, it is those workers who need the protection of this legislation who are going to be most affected. Unfortunately, almost 700,000 Australians—that is right: 700,000 Australians—are being dunned of superannuation that they are owed.
That is why the member for Rankin, who has seized upon the weaknesses in this bill, has
moved a sensible amendment to remove the component from the bill which makes it easier
for employers to flout their obligations. This amendment should be supported by all right-
thinking members of this House, and we encourage members of the government to support
the amendment moved in the name of the member for Rankin.

The bill dares employers to dodge their superannuation obligations, effectively. The
Assistant Treasurer has said publicly that she is focused on making sure that every employee
gets the super they deserve. But, like so much that the Assistant Treasurer does, it is all talk
and no action. What is worse is that she has failed to read her own government's talking
points, again—either that or she is simply unable to tell the truth on this. She has claimed that
the changes in the bill are specific to the period in which the penalty interest is charged, but
that is not actually right. The bill not only changes the interest calculation, as she has stated,
but also decreases the base of the penalty calculation and entirely repeals the additional admin
charge.

We feel very strongly about this—very strongly indeed—because it was the Australian
Labor Party, in partnership with great leaders like the former secretary of the Australian
Council of Trade Unions, Bill Kelty, who introduced occupational superannuation into this
country, to ensure that the benefits of a dignified retirement, the benefits of superannuation,
were spread beyond those who had previously enjoyed it. Government employees, defence
employees, managers in white-collar employment and salaried employees had traditionally
enjoyed occupational superannuation. It was not always as good as it looked on paper, but
they enjoyed the capacity to get some occupational superannuation. But the vast majority of
the Australian workforce and the overwhelming majority of women did not enjoy this benefit.

We feel very strongly about it. We are the architects of superannuation, and it has been
Australian Labor governments that have sought, whenever in office, to advance the provisions
of occupational superannuation, and it has been the coalition partners who have stood in the
way of increases in occupational superannuation, every single time. Every single time that
Labor has moved to increase the statutory requirements for occupational superannuation, it
has been the coalition members who have voted against it, opposed it and done their
darnedest, whenever in office, to ensure that those provisions did not succeed.

So we are proud of our strong record. In fact, in the last term of government, not only did
we move to increase the statutory requirement for superannuation; we sought to make it easier
for small businesses to comply with their obligations. We set up the Small Business
Superannuation Clearing House which was, as you would know, Mr Deputy Speaker
Goodenough, a one-stop facility to pay their superannuation. That is what we are about:
ensuring that the rights are there and that it is easier for employers—particularly small
businesses—to meet their obligations. Not only that, we want to make sure that we have a fair
and sustainable superannuation system—one that provides for all Australians, including low-
and middle-income earners. That is why we put in place measures that would ensure that low-
paid workers received a rebate.

One of the first actions, paradoxically, of this government—and it shows their values when
it comes to superannuation—was to remove the rebate of the low income superannuation
offset and, in the very next breath, to give a tax cut to people who had superannuation
balances of over $1.5 million. Nothing says more about the priorities of this government and
who they stand for than that act—one of their very first acts—of removing the rebate from low-income workers and giving a rebate to high-income superannuants. Nothing says more about the priorities of the government than that one act.

So we are opposed to those provisions of this bill, and we are opposed to them for good reasons. We on this side of the House know the difference between red tape and a guard rail. Provisions such as this are a guard rail, put in place to ensure that employees have access to their superannuation entitlements as and when they fall due. We know the problems that beset employees when a company goes bust: they are pushed down a level when it comes to prioritised creditors, although the tax office does have some advantages in this area over other creditors. But we know how hard it is for those workers to chase their superannuation entitlements and their other entitlements when an employer has ceased to pay. Ceasing to pay super is one of the early signs. It is like a canary in a coalmine. You know a business is starting to falter when it is starting to fall behind in paying its superannuation entitlements. It sends up a red flag. Workers are often three months or six months out of pocket before any action, and many workers I have spoken to say it can take up to 12 months to get the Australian tax office—which is struggling, because of a lack of resources and a lack of priority from this government to resource this function—to act. Workers can be out of pocket and can struggle to ever regain their lost entitlements.

So we understand what it means. We understand that this is a guard rail, not red tape, and that is why we oppose the proposition put forward by the Assistant Treasurer and the government and why we support the sensible amendments which were moved in the name of the member for Rankin.

**Mr Hogan (Page) (12:36):** These repeal day bills that we have been introducing are exceptionally important to our local economy and obviously to every small business person in this country. Everyone would remember that, in 2013, before the election, we made an election commitment to cut red tape costs by a billion dollars a year, to improve our competitiveness, create more jobs and lower households' costs.

This target has been well exceeded. We have announced more than $2.45 billion in regulatory savings in just over two years from the last election. While these figures can be lost in the big numbers, it has meant that on the ground we are helping small businesses—out there having a go and trying to make money by employing people and trying to create wealth for this country—keep their focus on what is important to them: their core business and making sure they are employing people and making money. Every small business that you walk into, Deputy Speaker Goodenough—and I know, with your background, you would know—in this country, across every sector, says, 'We have too many forms to fill out; we have too much red tape.' They spend a lot of time not focusing on their business. They are—literally—crossing t's and dotting i's.

With this repeal day legislation there are a lot of reforms. There are reforms with ASIC to facilitate business to take up digital disclosure, leading to annual savings of nearly $300 million, and the Australian Taxation Office upgrade of ATO online, providing access for businesses to manage their tax affairs in a digital environment. There are upgrades to the online portal, which is estimated to have an annual saving of over $100 million as well. For smaller businesses, changes to pay-as-you-go instalment entry thresholds remove an estimated 500 thousand small businesses from the system. This means that 45,000 small
businesses that have no goods and services tax reporting requirements will no longer have to lodge the activity statement. The remaining 400,000 small businesses with modest or negative incomes that are still required to lodge business activity statements will no longer have to interact with the pay-as-you-go instalment system. This is going to save small businesses tens of millions of dollars each year in red tape. We have also expanded access to the Small Business Superannuation Clearing House, which means additional employers can now use this free service. This will save them time and reduce their paperwork. The reforms through the new franchising code will also deliver millions of dollars in red-tape savings across the sector.

We also have a $5.5 billion Growing Jobs and Small Business package in this year's budget. That will build upon these initiatives. The package allows for small businesses to immediately deduct every eligible asset costing less than $20,000 purchased between budget night and the end of June 2017. Many small businesses I have visited in my community have had a lot of people making capital purchases that would have been put off. It also includes lower taxes for small business. There has been a 1½ percentage point cut to the company tax rate for small companies and a five per cent tax discount for unincorporated entities. Providing small business with a reduced rate tax enables them to retain more earnings, which is important for their cash flow, their survival and the number of resources and money they have for employing more people.

This bill forms part of our commitment to repeal counterproductive and often redundant legislation. There are also amendments to the Superannuation Guarantee (Administration) Act to simplify this and makes the superannuation guarantee charge and penalty more proportionate to the noncompliance. There is also a tax imposed upon employers by the tax office when the employer does not meet their superannuation requirements on time. The guaranteed charge regime can be very punitive if they inadvertently make small mistakes, and this will be recognised.

The government is committed to employees receiving their superannuation so that Australians can save for their retirement. However, it is important to right-size the regulatory environment where appropriate. For example, this schedule will change how nominal interest is calculated. Currently, nominal interest is charged from the beginning of a superannuation guarantee quarter rather than from the due date of superannuation guarantee contributions, so employers have to effectively pay an additional four months of interest. This change will fix this problem by aligning nominal interest.

The second change this schedule makes to the guarantee is to align the penalties under the superannuation guarantee charge regime with the administrative penalties that exist under the Tax Administration Act 1953. This is all about simplifying penalties. The third change will align the earnings base for calculating the superannuation guarantee charge with the earnings base used to calculate the superannuation guarantee. Currently, these are different.

Schedule 2 will amend superannuation laws to enable the Australian Taxation Office to pay certain superannuation amounts, such as unclaimed super balances, directly to people with a terminal medical condition. It will also remove the requirement for superannuation funds to lodge a lost members statement with the Australian Taxation Office. The first change ensures that people who are dealing with the circumstances of being diagnosed as terminally ill or injured do not also have to deal with unnecessary complexity to get access to superannuation.
savings held by the ATO. Superannuation balances are, generally, able to be released tax free to people with a terminal medical condition. Super funds can already pay balances they hold directly to such people when a valid claim is made.

However, the existing law only permits the ATO to pay unclaimed super directly to terminally ill or injured people in limited circumstances. In most cases, when a terminally ill person makes a claim, currently, the ATO first has to transfer the money into an existing account in a super fund before they can access it. This creates unnecessary delays and paperwork for people who should be able to access their super. In fact, if the person does not have a super account, the red tape they face under existing law increases. For example, if a person on finding out they are terminally ill withdraws their balance and closes their super account, the person needs to create a new account just to receive their unclaimed super held by the ATO. We as a government do not want to subject people to needless bureaucracy, particularly when they are facing difficult life circumstances and are likely to be at their most vulnerable. Enacting this bill will allow the ATO to pay super amounts they hold or administer directly to a terminally ill or injured person. This will eliminate a pointless step in the claims process and provide people with faster access to their super when they need it most.

The Commissioner of Taxation also, in schedule 2, maintains a register known as the Lost Members Register, which contains details of members who have been reported by their super providers as lost. This register is maintained for the purpose of reuniting people with their lost super. The register is updated, periodically, using information reported to the ATO by super funds. This information is currently reported to the ATO by super funds, twice a year, through the lost members statement. This is a requirement under superannuation law. However, since 2013 similar information has also been reported by funds to the ATO as a result of a separate reporting obligation under tax administration law. This bill will remove the extra requirement for funds to lodge the lost member statement. It will remove an additional reporting burden for funds and reduce their compliance costs without reducing access to information as it will continue to be collected under tax administration law. People will continue to be able to use myGov to search the register for their lost super.

Schedule 3 to this bill contains amendments to the Corporations Act 2001 to modify the notification and reporting obligations applying to certain corporations that have property in receivership or property in respect of which a controller is acting. These amendments remove the unnecessary compliance costs, reputational damage and investor confusion caused by having to include 'in receivership' on all of a company's public documents, rather than only those documents that relate to the affected trust. The amendments will also reduce the administrative burden on corporations' officers by reducing the matters upon which they are required to report to a controller.

Schedule 4 to this bill repeals inoperative acts and provisions of the tax law. This includes: the repeal of the Commonwealth borrowing levy, which has been inoperative since 1997; the repeal of the tax-exempt infrastructure borrowing concession, which has been inoperative since 2012; and the repeal of various provisions relating to concessions for equity investments by financial institutions in small and medium enterprises, which have been effectively inoperative since 1999. I commend this bill to the House.
Mr TUDGE (Aston—Minister for Human Services) (12:46): I would like to thank those members who have contributed to this debate. It is disappointing, however, that those opposite would stand in the way of this bill simply because they do not understand how the changes outlined in schedule 1 to the bill benefit business, particularly small businesses. That said, this government will not subject people to needless red tape, which is why the government is proceeding with the other important measures in this bill.

Schedule 2 to this bill will amend superannuation laws to enable the Australian Taxation Office to pay lost member superannuation amounts directly to people with a terminal medical condition. Enabling the Australian Taxation Office to pay these amounts directly will cut out needless paperwork and delays for terminally ill and injured patients wishing to access their super benefits. Schedule 2 will also remove the requirement for superannuation funds to lodge a lost member statement with the Australian Taxation Office. Removing this report will reduce regulatory costs for funds that already provide similar information to comply with other reporting obligations.

Schedule 3 to this bill amends the Corporations Act 2001 to simplify the notification and reporting obligations applying to licenced trustee companies and other corporations that a property in receivership or property in respect of which a controller is acting. This will remove the unnecessary compliance costs, reputational damage and investor confusion caused by having to include ‘in receivership’ on all of a company's public documents, rather than on only those documents that relate to the affected trust. These amendments will also reduce the administrative burden on corporations' officers by reducing the matters upon which they are required to report to a controller.

Schedule 4 to this bill repeals inoperative acts and provisions of the tax law. This includes: the repeal of the Commonwealth borrowing levy, which has been inoperative since 1997; the repeal of the tax-exempt infrastructure borrowing concession, which has been inoperative since 2012; and the repeal of various provisions relating to tax concessions for equity investments in small and medium enterprises, which have effectively been inoperative since 1999. Removal of these inoperative acts and provisions will make it easier for businesses, agencies and other stakeholders to identify the current law. On our fourth repeal day, we are building on the progress we have already made right across government to cut red tape. I commend this bill to the House.

The DEPUTY SPEAKER (Mr Goodenough): The original question was that this bill be read a second time. To this the honourable member for Rankin has moved an amendment that all words after ‘That’ be omitted with a view to substituting other words. The immediate question is that the amendment be agreed to.

The House divided. [12:53]
**AYES**

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**NOES**

| Abbott, AJ | Alexander, JG |
| Andrews, KJ | Andrews, KL |
| Baldwin, RC | Billson, BF |
| Bishop, BK | Briggs, JE |
| Broad, AJ | Broadbent, RE |
| Brough, MT | Buchholz, S |
| Chester, D | Christensen, GR |
| Ciobo, SM | Cobb, JK |
| Coleman, DB | Coulton, M (teller) |
| Dutton, PC | Eatsch, WG |
| Fletcher, PW | Frydenberg, JA |
| Gambaro, T | Gillespie, DA |
| Griggs, NL | Hartsuyker, L |
| Hastie, AW | Hawke, AG |
| Henderson, SM | Hendy, PW |
| Hogan, KJ | Howarth, LR |
| Hunt, GA | Hutchinson, ER |
| Irons, SJ | Jensen, DG |
| Jones, ET | Joyce, BT |
| Kelly, C | Laming, A |
| Landry, ML | Ley, SP |
| Macfarlane, IE | Marino, NB |
| Markus, LE | Matheson, RG |
| McCormack, MF | McGowan, C |
| McNamara, KJ | Nikolic, AA |

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**CHAMBER**
Question negatived.

**The DEPUTY SPEAKER (Mr Goodenough) (13:01):** The question is that the bill be read a second time.

The House divided. [13:01]

(The Deputy Speaker—Mr Goodenough)

Ays ................. 79
Noes .................. 55
Majority .............. 24

**AYES**

Abbott, AJ
Andrews, KJ
Baldwin, RC
Bishop, BK
Broad, AJ
Brough, MT
Chester, D
Ciobo, SM
Coleman, DB
Dutton, PC
Fletcher, PW
Gambbaro, T
Griggs, NL
Hastie, AW
Henderson, SM
Hogan, KJ
Hunt, GA
Irons, SJ
Jones, ET
Kelly, C
Landry, ML
Macfarlane, IE
Markus, LE
McCormack, MF
Alexander, JG
Andrews, KL
Billson, BF
Briggs, JE
Broadbent, RE
Buchholz, S
Christensen, GR
Cobb, JK
Coulton, M (teller)
Entsch, WG
Frydenberg, JA
Gillespie, DA
Hartsuyker, L
Hawke, AG
Hendy, PW
Howarth, LR
Hutchinson, ER
Jensen, DG
Joyce, BT
Laming, A
Ley, SP
Marino, NB
Matheson, RG
McGowen, C
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AYES
McNamara, KJ  Nikolic, AA
O'Dowd, KD  Pitt, KJ
Porter, CC  Prentice, J
Price, ML  Pyne, CM
Ramsey, RE  Robert, SR
Roy, WB  Scott, BC
Scott, FM  Simpkins, LXL
Southcott, AJ  Stone, SN
Sudmalis, AE  Sukkar, MS
Taylor, AJ  Tehan, DT
Truss, WE  Tudge, AE
Van Manen, AJ  Varvaris, N
Whiteley, BD (teller)  Wicks, LE
Williams, MP  Wilson, RJ
Wood, JP  Wyatt, KG
Zimmerman, T

NOES
Albanese, AN  Bandt, AP
Bird, SL  Bowen, CE
Brodtmann, G  Burke, AE
Burke, AS  Butler, MC
Butler, TM  Byrne, AM
Chalmers, JE  Champion, ND
Chesters, LM  Clare, JD
Claydon, SC  Collins, JM
Conroy, PM  Danby, M
Dreyfus, MA  Elliot, MJ
Ellis, KM  Ferguson, LDT
Fitzgibbon, JA  Giles, AJ
Gray, G  Griffin, AP
Hall, JG (teller)  Hayes, CP
Husic, EN  Katter, RC
King, CF  Leigh, AK
Macklin, JL  MacTiernan, AJGC
Marles, RD  Mitchell, RG
Neumann, SK  O'Connor, BPJ
O'Neil, CE  Owens, J
Parke, M  Perrett, GD
Pilgersek, TJ  Ripoll, BF
Rishworth, AL  Rowland, MA
Ryan, JC (teller)  Snowden, WE
Swan, WM  Thistlethwaite, MJ
Thomson, KJ  Vamvakinou, M
Watts, TG  Wilkie, AD
Zappia, A

Question agreed to.

An incident having occurred in the chamber—
Mr BURKE (Watson—Manager of Opposition Business) (13:04): Mr Deputy Speaker, I rise on a point of order. What the minister is doing—you normally get named for that. It is completely disorderly, and he should be called to order for it.

The DEPUTY SPEAKER (Mr Goodenough): The second reading has been agreed—

Mr BURKE: No, point of order. A point of order has been taken, and you must make a ruling. We have had a member of parliament walk around the chamber during a division. It is quite disorderly.

The DEPUTY SPEAKER: I believe that Mr Tudge did not move till the result was announced, so we will proceed. I call the minister.

Mr Burke: Mr Deputy Speaker, I rise on a point of order. We had the member for Rankin on his feet at the dispatch box, seeking the call. You clearly saw that he was on his feet and were about to acknowledge him. You cannot have a situation where the call is then changed.

The DEPUTY SPEAKER: What has happened is that the second reading has been agreed to, so I will put that now.

Bill read a second time.

Message from the Governor-General recommending appropriation announced.

Consideration in Detail

Bill—by leave—taken as a whole.

Mr TUDGE (Aston—Minister for Human Services) (13:06): I present a supplementary explanatory memorandum to the bill. I ask leave of the House to move government amendments (1) and (2), as circulated, together.

The DEPUTY SPEAKER (Mr Goodenough): Is leave granted?

Mr Burke: No, it is not. You have given the call to the wrong member. They want leave to be able to deal with things quickly. If the parliament is not going to be run in a sensible fashion, if this minister is going to just wander around and think that he gets the jump whenever he feels like it, then you are not going to get cooperation. Leave is not granted.

The DEPUTY SPEAKER: My advice is that the amendments will have to be moved singly if they cannot be moved together.

Dr CHALMERS (Rankin) (13:09): by leave—I move opposition amendments (1) and (2), as circulated in my name:

(1) Clause 2, page 2 (table item 2), omit the table item. [superannuation guarantee charge]
(2) Schedule 1, page 3 (line 1) to page 11 (line 4), omit the Schedule. [superannuation guarantee charge]

The Treasury Legislation Amendment (Repeal Day 2015) Bill 2015 is a disgraceful attempt to dud Australian workers by a government that does not believe in superannuation. These are the bad motivations that are at the very core of this bill that we are debating today. I will come to the government's embarrassing and humiliating backdown in a moment. But, first, let us deal with the issues that are absolutely at the core of what the government is trying to do now.

Our approach on this bill, as I have said before, is that Australian workers deserve to be paid the superannuation that they are entitled to, and they deserve to be paid that superannuation on time. It is disturbing but not surprising to understand that the government wants to weaken the penalties for employers who do not pay their workers super and pay it on
time. It is also disturbing—but, again, not surprising—that when the government is confronted with an issue like this they discard the interests of Australian workers as some sort of red tape to be dismissed with all the other farcical parts of the so-called red tape repeal days.

This government either does not understand or they do not care that 690,000 Australian workers each year miss out on the super that they are entitled to by law. That is, every 15th worker in our economy is not getting paid the super that they are entitled to. That is worth $2.6 billion a year to Australian working people. That problem is growing by five per cent per annum, and it means an average of $3,800 per year out of the pockets of those 690,000 workers, which is $100,000 by the time of retirement for a 20-year-old worker who misses out on that amount this year.

The tax office describes this problem is 'endemic'. The audit office says that between 11 and 20 per cent of employers are non-compliant with their obligations to their workers. This is a big, growing problem, and it says it all about this government that when presented with these facts by the tax office, the audit office, by Trio Investments and by Cbus, they decide to make the problem worse. They decide to include it in some kind of red tape stunt. They decide to combine this disgraceful act with all of the other disgraceful things that they are doing in superannuation: abolishing the low-income super contribution, freezing the super guarantee—all of the things they are doing to strike at the very core of the retirement aspirations of working people in this country.

This part of the bill, schedule 1, that we are seeking to split out is one of four schedules. We agree with the other three components of the bill, so my amendment is all about splitting out this disgraceful act of theft from the superannuation balances of Australian working people. We support the bit about the terminal conditions, we support the bit about duplication in unclaimed super and we support the bit about disclosure as it relates to in receivership. But we will never support any attempt by this government to make it even easier for employers in this country to dodge their obligations to their workers. We will never ever support that.

I want to thank all of the people around the Australian community who have stood with us on this issue and who are about to win a terrific victory on behalf of hundreds of thousands of Australians. Together we call on the government now not just to perform this humiliating backflip that they are about to perform when the minister finally gets up here and agrees to Labor's amendments. That will be humiliating for them. But, more important than that, more important than today's humiliation, is that they abandon for all time these disgraceful attempts to dud Australian workers out of the superannuation that they are entitled to. Do not just abandon it today on the eve of an election. Abandon these plans forever, because Australian workers deserve better. The fight for fairer superannuation continues beyond today. It will always continue while those opposite are in government. They have shown their true colours when it comes to this bill, and we are right to resist them. The Australian people are right to resist them.

We are about to see a humiliating backflip from the government. We are about to see a victory for Australian working people and we are about to see the full farce of the government's economic policymaking machinery before our eyes. The minister is about to move amendments to the very bill that their speakers were defending wholeheartedly 20 minutes ago as an important change that needed to be made. We had the poor old member for
Page stand up with his talking points and read out how important it was that we progress with this disgraceful act at the same time as the assistant minister sat over there about to amend it to cop Labor’s amendments. It says it all that the Assistant Treasurer will not come and own this problem, and no-one else in the government will own this problem. That is why it is left to the assistant minister. *(Time expired)* 

Question agreed to.

Bill, as amended, agreed to.

**Third Reading**

Mrs PRENTICE (Ryan—Assistant Minister for Disability Services) (13:14): by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

**Social Services Legislation Amendment (Enhanced Welfare Payment Integrity) Bill 2016**

**Second Reading**

Ms RISHWORTH (Kingston) (13:16): I rise to speak on the Social Services Legislation Amendment (Enhanced Welfare Payment Integrity) Bill 2016. This bill seeks to amend the social security legislation in two ways.

The first is to introduce departure prohibition orders into social security legislation, so that orders may be made preventing a person from leaving the country when they have outstanding social security debts and a repayment plan is not currently in place. These orders could be applied to debts incurred through social security, family assistance, paid parental leave or student assistance payments. Departure prohibition orders can already be applied for when people have child support debts.

A departure prohibition order may be applied where the person has one or more debts to the Commonwealth; there are not arrangements satisfactory to the secretary in place for those debts to be wholly paid; and the secretary believes on reasonable grounds that it is desirable to make the order to ensure the person does not leave Australia for a foreign country without having wholly paid the debt or there being arrangements in place satisfactory to the secretary for the debt to be repaid.

Before making an order, the secretary must have regard to certain matters. Firstly, the person’s capacity to pay the debt; secondly, whether any debt recovery action has been taken and the outcome of that action; thirdly, the length of time the debt has remained unpaid; and fourthly, any other matters the secretary considers appropriate. Departure prohibition orders may only be made when the secretary believes it is appropriate to do so.

The second amendment in this bill seeks to abolish the six-year limitation on debt recovery currently in place for social security, family assistance and paid parental leave debts. These
amendments will mean that relevant methods of debt recovery, including deductions from payment, legal proceedings and garnishee arrangements, can commence at any time.

The amendments proposed in this bill are due to commence on 1 July 2016 or the day after royal assent. The financial impacts of these changes are quite modest. A total cost of $29.5 million is expected from the overall measure. The measure is anticipated to achieve a net underlying cash balance saving of $157.8 million, reflecting the recovery of debts owed to the Commonwealth government.

Labor will not be opposing this bill in the House. However, a Senate committee is currently looking at the detail of this legislation and is due to report back to the parliament on 20 June 2016. Labor believes we need to carefully examine the implications of these changes and we believe a Senate committee is best placed to scrutinise the detail of the bill. As with many issues within the social security system, these changes are complex. It is therefore very important that the bill be given proper scrutiny to ensure that there are no adverse consequences, intended or unintended, for vulnerable Australians. Therefore Labor will reserve its final position until the Senate committee reports its findings.

However, I will put on the record today my concern about some of the language being used by the Turnbull government when it comes to people who rely on government support to get by. Labor believes that people who deliberately defraud the system should be investigated and required to repay the money. That is only fair. But far too often all we see from the Turnbull government is a lot of empty talk about welfare crackdowns and a nasty habit of demonising people who rely on social security.

I do not think that such an approach is helpful. I will say on behalf of many constituents in my electorate that they often come to me feeling very upset about headlines in the papers and comments that government ministers have made, and particularly upset that there is a lack of understanding, it seems, from those on the other side about the impact of their language and the way the government will often portray people who rely on social security. That is quite concerning and certainly not helpful. Indeed, I fear that it will further stigmatise Australians who are jobless and would love nothing more than to find a job. If the government listens, there are many, many people out there who are not just lining up to get social security, but who desperately want to get a job and are desperately looking for a job. In my electorate I hear reports over and over again of people who say that they want nothing more but feel very much locked out of the job market. We do not want to use language that further stigmatises these Australians, who want desperately nothing more than to get a job.

Labor believes that the best way to help Australians who are struggling is to assist them in finding a job—for people who do not have the skills or expertise to find a job, ensuring that they get the right skills and support to be prepared for those jobs; or for people with a disability, ensuring that they are supported in finding a job. Indeed, I speak to many people who have a disability and who want to work but unfortunately are not given that opportunity. That is why Labor believes in—and this will be Labor's approach if we win the next election—supporting those who do want to find a job and ensuring that they get the support they need.

Mrs PRENTICE (Ryan—Assistant Minister for Disability Services) (13:22): As I said in my first speech in this place 5½ years ago, it is the individual who stands front and centre, and it is by empowering the individual that we will unlock the real potential of our society. Then,
as now, I strongly believe that the role of government is to provide the environment to give individuals the opportunities to create and succeed, but not to unreasonably interfere or restrict the freedoms and rights of individuals. I believe in a hand up, not a handout. I believe that the best form of welfare is a job. Indeed, if there is a choice between a handout or a hand up—a choice between receiving a fish or being able to fish—I know that most Australians, especially those living and working in my part of Australia, would choose self-sufficiency.

The coalition believes the best form of welfare is a job. That is why this government is working so hard to get as many Australians into gainful employment as possible. It is why we are providing more pathways to get people back into study or work, rather than providing incentives for people to get stuck on set-and-forget welfare payments. However, while we all value our independence and autonomy, it is important that governments also recognise that some people do need some help. A generous public welfare system is something that is provided only by the good grace and hard work of Australian taxpayers, so the Australian government has a responsibility to ensure that our welfare system is efficient, effective and well targeted. It is meant to be a safety net, not a permanent taxpayer funded salary in lieu of a genuine welfare need or a job.

On this measure, it is worth reflecting on the experience of Benjamin Franklin, who in 1766—even before Captain Cook traversed the eastern coast of our great island continent—warned of an unintended social cost for an institutionalised public welfare system. He said at that time:

I think the best way of doing good to the poor, is not making them easy in poverty, but leading or driving them out of it. In my youth I travelled much, and I observed in different countries, that the more public provisions were made for the poor, the less they provided for themselves, and of course became poorer. And, on the contrary, the less was done for them, the more they did for themselves, and became richer.

Roll on 250 years and there are still some people who seemingly think Australia’s welfare system should provide a sofa in front of a TV, a bar stool at the local pub, a comfortable bed, a nice house and even a publicly funded overseas holiday. Those who accumulate a welfare debt to the taxpayer for claiming and then spending public money—taxpayers’ money—for which they were not lawfully entitled should be forced to pay back this debt. As the old saying goes: fool me once, shame on you; fool me twice, shame on me.

I welcome the Social Services Legislation Amendment (Enhanced Welfare Payment Integrity) Bill 2016, because it continues this government’s focus on protecting the integrity of our welfare system so we can provide welfare for those who need it most—the most vulnerable. I thank the minister for bringing this bill forward. Ironically, when thinking about the key principle at the heart of good government in 21st century Australia, it is also difficult to better Franklin’s guidance: failing to plan is planning to fail. Our mission must be to improve the lifetime wellbeing of people and families in Australia and not accept an imperfect welfare system that will attract individuals, whole families and communities in Australia to intergenerational welfare dependency.

The enhanced welfare payment integrity measures in this bill are estimated to achieve net underlying savings of $157.8 million over the forward estimates. However, I believe it is the way the legislation ‘disincentivises’ receipt of public welfare money under false pretence that will be most transformative, especially with regard to enhancing a welfare recipient’s
reciprocal responsibilities under this new social contract. The bill introduces the legislative amendments required for the 2015-16 Mid-Year Economic and Fiscal Outlook Enhanced Welfare Payment Integrity expended debt recovery measure. It includes two measures. First, amendments allow for the use of departure prohibition orders to prevent targeted social welfare debtors from leaving the country, as is the case for child support debtors. Second, amendments remove the current six-year limitation on the recovery of social welfare debt that would otherwise be non-recoverable, which aligns the treatment of social welfare debt with the recovery arrangements in place with other Commonwealth agencies.

At the end of June 2015 there were more than one million debts with a value of $3.04 billion. This is a significant amount of taxpayers' money that could have been better spent. It is worrying that welfare debts have increased by almost 10 per cent in value since June 2014. In effect, the current system has inadvertently created an illegitimate—albeit publicly funded—interest-free loan facility. It is the government's belief that all debts should be repaid. It is important to recognise that a debt arises only where a person receives a payment to which they were not entitled, such as failing to advise the department of a change in personal circumstances. Of this debt base, approximately $870 million is held by around 270,000 former recipients who do not make sufficient or regular payments. This works out to be an average interest-free debt to the taxpayers of Australia of about $3,220 for 270,000 former welfare recipients, whereas current recipients of social welfare who also have a social security or family assistance debt have their welfare payments reduced until their debts are paid. However, there is no similar arrangement in place to recover debts once a person no longer requires social welfare or family assistance payments.

If we ignore moderate changes now, worrying issues and concerns like a 10 per cent increase in the value of welfare debts will grow into even bigger problems and remedial action will get harder. Unlike Labor, we do not raise taxes to balance the budget or pay for higher spending. Higher taxes for higher spending are not a plan for jobs and growth. The way to fix the budget is to control spending and grow the economy.

The DEPUTY SPEAKER (Hon. BC Scott) (13:29): Order! The debate is interrupted in accordance with standing order 43. The debate may be resumed at a later hour.

STATEMENTS BY MEMBERS

Geelong Waterfront Safe Harbour Project

Mr MARLES (Corio) (13:30): Today the Geelong Advertiser reports that the state government is providing $4 million towards the Geelong waterfront safe harbour project. Our waterfront is going to be a source of recreation and tourism going forward, which will provide an enormous economic boost to Geelong. This project is at the heart of that. The Geelong Council has contributed $3 million to the project and the Royal Geelong Yacht Club another $3 million, bringing it to a total of $10 million. Now what remains is for $9 million to be contributed through the National Stronger Regions Fund by the federal government. We need to see the federal government act. We need to see the Liberal Party do something for the people of Geelong. But do not hold your breath on this, Mr Deputy Speaker.

In today's paper, the member for Corangamite is reported as saying that she 'sensed' the project was 'ready to be funded' but stressed she was not involved in choosing the successful project. We need better than that. We need an advocate who is going to do something about
bringing money to our town so that we can have a critical development occur. What we have seen from this government is nothing other than taking money out of Geelong, from cutting half a million dollars to the upgrade of the Leopold Sportsmans Club for facilities which would have provided greater female access to toilet facilities and change rooms, to the much bigger issue of not even having a cent come to Geelong after the failure of Alcoa. What this government has done for Geelong pales into insignificance compared to what Labor did in office. This is an opportunity for the Liberal Party to act, and they have to do it.

**Competition and Consumer Law**

**Paid Parental Leave**

Mr BILLSON (Dunkley) (13:31): Something really special happened a few minutes ago. The coalition government has invested in entrepreneurship and the opportunity for our economy to support efficient businesses, big and small, to delight customers and to see Australian citizens benefit from that policy setting. What has been announced is a redefinition of section 46, the misuse of market power—a very important and very welcome move.

Members in this place might realise that it was some six years ago that I started advocating the case for a root-and-branch examination of our competition laws, our institutions and the technologies and infrastructure that support them. What we found was that the laws were deficient in a number of areas. What we need in our economy to encourage investment and entrepreneurship is a chance for a business to have a fair go. Section 46 aims to ensure that those businesses with substantial market power did not use their economic muscle to win the contest to delight customers but that they had to compete on merit. This is great news for all enterprising people and is another instalment in showing how only the coalition government can put the policies in place to energise enterprise.

In the few moments that are left to me, I want to thank Cara Waters and also Emily Green and Tess McCabe for drawing out a concern about the Paid Parental Leave scheme, the PPL scheme, and how it can impact on self-employed people. An unexpected or early arrival of a newborn for a self-employed person can mean they might have to go back to work to continue their business. This risks those enterprising women missing out on PPL. Flexibility is required. *(Time expired)*

**Indi Electorate: Youth Politics Camp**

Ms McGOWAN (Indi) (13:33): Colleagues, participatory democracy is alive and well in Indi. On Sunday, 6 March I was honoured to meet 22 of our future leaders at the Indi youth politics camp at Howmans Gap in Falls Creek. The camp was a three-day nonpartisan program for young people aged between 16 and 25 in north-east Victoria, coordinated by representatives of local councils.

The 22 amazing young people engaged in discussions and debates and had fun, with a focus on the Australian political system. The camp included sessions such as an introduction to the Australian political system, ethics and decision making, media, networking, leadership and career paths. Well done to the youth politics camp committee: Anthony Nicholson and Rachel Habgood from Wodonga council, Amanda Aldous from Benalla, Jenny Corser from Alpine, Laura McKenna from Wangaratta and Annette Walton from Indigo.

To the camp guests—Jess Gay, Ashlee Fitzpatrick, Tasman Cocks-Wheaton, Jacqui Hawkins, Jaclyn Symes, Tammy Atkins, Mary-Anne Scully, Matt Charles Jones and Jennifer
Jones—thank you for your involvement. Congratulations really must go to the most amazing young people from north-east Victoria—young people who gave their weekend to come and learn about our political system and make a commitment to be involved. Young people, your futures are bright and, with your involvement, so is the future of Indi! I am so proud to be a representative in this House. *(Time expired)*

### Edith Cowan University: 25th Anniversary

**Mr GOODENOUGH** (Moore) (13:34): Edith Cowan University celebrates its 25th anniversary this year, having opened on 1 January 1991. The university has packed a number of milestone achievements into a quarter of a century. The award-winning science and health building opened in 2001. The university headquarters moved from Churchlands to Joondalup in 2003, coinciding with the opening of the multi-award-winning chancellery building. In 2007, the state-of-the-art library and ICT building opened. The Exercise Medicine Research Institute had its origins in 2008, with the Graduate School of Business opening in the same year. In 2013, ECU was named in world's top 100 universities under 50 years old in The Times Higher Education review. The year 2014 saw the establishment of the Jackman Furness Foundation for the Performing Arts and the ECU Health Centre in Wanneroo, incorporating the GP superclinic, opening to public. In 2015, Professor Steve Chapman was appointed vice-chancellor to lead the university into the future. He oversaw the opening of the highly acclaimed Ngoolark building.

With continued support from the federal government, ECU will continue to be a leading institution providing excellence in higher education and being an innovator in commercialising research and development, and a reputable service provider of international education.

### Commonwealth Scientific and Industrial Research Organisation

**Ms BRODTMANN** (Canberra) (13:36): Calling the Abbott-Turnbull government's cuts to the CSIRO's climate science division a restructure is like demolishing a house and calling it a renovation. The Abbott-Turnbull government's $111 million worth of cuts have not only threatened the CSIRO's reputation as a premier scientific institution; they have also threatened Australia's reputation as a world-leading contributor to the science of climate change. The jobs of 350 climate scientists may be affected by this cut. With them goes our capacity to research and monitor the effects of climate change.

It is no surprise that these cuts have been met with universal condemnation. More than 3,000 scientists around the world signed an open letter calling for the decision to be reversed. The co-chair of the Intergovernmental Panel on Climate Change has criticised the cuts, as has the World Meteorological Organisation. The *New York Times* editorial labelled the cuts 'a deplorable misunderstanding of the importance of basic research into what is arguably the greatest challenge facing the planet'. And now the former president of Ireland, Mary Robinson, has added her voice to the chorus of condemnation. She told a Melbourne audience last night: 'Research is an investment in our shared future. It is not a luxury.' There is universal opposition to this cut and yet, not for the first time, the Abbott-Turnbull government seems determined— *(Time expired)*
Mr BROAD (Mallee) (13:37): I have always said that the Australian parliament is the people's house. It does not belong to the politicians. We are mere stewards of the areas we represent. This week we have had five council mayors and CEOs—from Northern Grampians Shire Council, Horsham Rural City Council, the Yarriambiack Shire Council, Hindmarsh Shire Council and West Wimmera Shire Council—here advocating for their community. They have had meetings to discuss the Stawell dark matter particles lab, the Grampians Peaks Trail and the Longerenong Agricultural College. They have had meetings to discuss the Wimmera Highway upgrade and the need for a rail freight upgrade. They have had meetings expressing just how much they contribute to the Australian economy. Out of just the Wimmera alone, there is $1.6 billion worth of export opportunities. Some of those could be enhanced with protein extraction plants and with greater data in agriculture.

I have often described my office as an embassy of the Wimmera Mallee. One of the things that is great about our community is that they are going to forge their future because they believe in their future. Our community is going to make it happen, and to see the very strong and passionate advocacy on so many projects by people from the Wimmera this week in the federal parliament has been very good. I thank the 10 ministerial officers who have opened their doors to hear the stories and to hear what can be done. It starts with us. All the things that we are going to develop in our regions start with us, and I am pleased to be able to—

(Time expired)

Ms RYAN (Lalor—Opposition Whip) (13:39): I have come back from a week in the electorate of Lalor. It is always good to be home for that week and it is always good to catch up with the residents and the voters and see what they are thinking at the moment. Across last week, I was inundated with questions: when will we know what the government is going to do about the PPL; do they still think we are double-dippers; when is the budget due; when will this government deliver the NBN to our community? One of the big questions of the week was: why won't this government fund the last two years of Gonski? My community wants to know when this government will do any spending to build water infrastructure across this country. None of them are happy with the answers they are getting from the government. Of course, I cannot answer those questions, because those opposite cannot answer those questions. No-one in this place can tell my community what this government is going to do, because this government itself does not know what it is going to do.

In contrast, Labor has 50-plus policies on the ground, in the field. People know what Labor stands for. People know what Labor is taking to an election. People know that Labor will commit to education and that Labor understands that there is no innovation without education. They know what Labor stands for when it comes to looking after lower and middle income people. They do not know what this government stands for, because this government does not know what it stands for.

Mr BROADBENT (McMillan) (13:41): My friend the member for Gippsland and transport minister, Darren Chester, has a great saying, and it is so true. He says, 'For all their platitudes, their chest puffing and their moralising, the Greens have never created one job in
the Latrobe Valley.' The Greens are waging a war against jobs in the Latrobe Valley, in the areas that we represent: Gippsland and McMillan. The Greens like to take a train trip down from Melbourne on the Gippsland line every now and then to pontificate to the people who live in the Latrobe Valley about how they want to shut down the Latrobe Valley energy sector. They then overreach a little further by following it up with a glib dash of false hope about the hundreds of green jobs they are going to create. After that, they jump on the train and go back to Melbourne.

There will, over time, be a transition in the Latrobe Valley stationary energy sector. We know that. It is mainly because of ageing infrastructure and a fall in demand in the national electricity market. But, for at least the next 30 to 50 years, coal will remain a major source of electricity generation. That is because it is cheap, it is reliable and it is available in abundance. A power station employs thousands of people, both directly and indirectly. We all agree that moving to a low-emission future is necessary. We are doing that as a government right now. The Australian government is investing strongly in programs that help achieve this in an economically and environmentally responsible manner. Innovation and research are integral to this. Walking away from thousands of jobs in the Latrobe Valley, one of the largest and cleanest sources of brown coal in the world, is not the way to go. (Time expired)

Bradley, Mr Gerry

Ms MacTIERNAN (Perth) (13:42): Today we have in the parliament the family of Gerry Bradley, one of the two young Irishmen crushed by falling concrete panels on a building site in East Perth in November. Gerry had no experience in construction. He obtained his white card online—a process that I believe is flawed and needs urgent revision. Gerry's partner, Shelley, his father, Gerald, and his uncle, Eamon, are asking us to make sure that the tragic deaths of these life-loving young men are not in vain. They are concerned by the attitude of WorkSafe WA, who have been quite dismissive of the family's requests for information and say that it may take up to three years to complete their report. This is unacceptable.

The family is concerned to learn that the Fair Work Building Commission visited the site three times, preoccupied with ensuring that unions were not making unauthorised visits to check safety. They are concerned that on the site, in the months before the deaths, union officials had repeatedly raised safety concerns, listing the lack of supervision and spotting and the failure to observe exclusion zones—all relevant here. The grief of these lovely people is still raw and they need their loss to be taken more seriously by the company, by WorkSafe and by FWBC. We must learn from this tragedy and do better.

Fisher Electorate: National Volunteer Week

Mr BROUGH (Fisher) (13:44): On 14 May, during Volunteer Week, I am going to hold a major celebration at Australia Zoo embracing what makes the Sunshine Coast great: the over 7,000 volunteers who represent more than 130 diverse organisations and really are the glue that makes the Sunshine Coast special.

Today I just want to pay tribute to some of those people and organisations and, in doing so, thank Terri, Bindi and Bob Irwin for the generosity of opening their zoo to the people of the Sunshine Coast. Entry for volunteers will be free. We will have a great celebration. We will be able to look at each other and say, 'These people in this room, whether they give an hour or a week or work every day of the year, contribute to make the Sunshine Coast what it is.'
There are such diverse organisations such as the Wildlife Warriors, which are based at the zoo, the Night Eyes Water and Landcare group, all the RSL sub-branches, ComLink, the Morris House Neighbourhood Centre and the neighbourhood centres right across the electorate. There is the Queensland Air Museum, the Kawana Senior Citizens, RACQ CareFlight, Conondale Range Conservation Association, the Rotary clubs, the Lions clubs and also GMAN, which is the Glasshouse Mountains Advancement Network. There is also Native Bee Rescue, Friends of Maleny Library and Reefcheck. As you can see, it is an incredibly diverse group which includes fire brigades, refuges for animals and St Vincent de Paul. I congratulate them all, I thank them all and I welcome them to Australia Zoo on 14 May.

**Broadband**

Mr CLARE (Blaxland) (13:45): Malcolm Turnbull has had basically one job for the last 2½ years, and that is to roll out the NBN. He has made an absolute mess of it. The NBN has now cost double what he promised Australia it would three years ago and the time it will take to roll out the NBN will be now twice as long as what he said it would be. The cost of fixing the old Telstra copper that he is going to use to build the NBN has blown out by 1,000 per cent.

Last week we found out that the government are going to build over 30,000 nodes to make this second-rate NBN work. To put that into clear perspective, that means that they will need enough copper to connect us here in Canberra to Russia or almost enough copper to connect us here to Silicon Valley. There has been leak after leak from nbn co, including another leak today which revealed that you can roll out fibre now to the driveway of someone’s house for almost the same cost as building fibre to the node. This is humiliating for Malcolm Turnbull because it proves that he was wrong and it proves that the NBN that he is building is a slower version of what people could get. Under this technology people could get much faster speeds than they are getting under the second-rate NBN that this government is building.

Unfortunately, we have a Prime Minister like the Fonz from *Happy Days*, a leather-jacket-wearing Prime Minister who could never admit that he was— *(Time expired)*

**Road Safety Remuneration Tribunal**

Mr BUCHHOLZ (Wright) (13:47): As I came from the transport sector before coming to this place, no-one should be surprised that I am standing to defend the rights of our subcontractors when it comes to the road safety Remuneration Tribunal. This government are absolutely committed to road safety. We understand how vitally important it is. However, on 18 December 2015 the tribunal issued its first remuneration order, the contractor driver minimum payments road safety remuneration order of 2016. The order will commence on 4 April 2016 and will cover approximately 31 per cent of the nation’s fleet, taking into consideration 62,000 Australian contractors of our 200,000-strong fleet.

It is an independent tribunal and the government has not been able to revoke or otherwise change the orders it has made. The order affects independent contractors working either in the supermarket or long distance road transport sectors. My concern is that the tribunal only made available its calculator to the hirers and drivers to calculate their new remuneration rates taking into account the specific variables that apply to their contracts on 3 March, one month prior to the order taking effect. The tribunal has had this information for three months. It is
unreasonable for the tribunal to expect road contractors to change their whole business model inside 30 days.

On 9 March 2016, the Australian Industry Group and other driver associations— (Time expired)

**Tropical Cyclone Winston**

Mr HUSIC (Chifley) (13:48): Cyclone Winston was one of the most severe cyclones to ever hit Fiji and was one of the worst storms to ever make landfall in the Southern Hemisphere. Over the last few weeks, as the level of devastation across the country has become apparent, emergency response teams from Australia and elsewhere have been traveling to Fiji to assist with the widespread damage and heavy losses. I am proud to say and to congratulate the government on the fact that Australia is working hard to help with the disaster relief efforts through the provision of $5 million in aid. With disaster relief efforts underway, I want to recognise the emergency response crews, volunteers and non-government organisation workers who are on the ground in Fiji. These people are a vital and valuable part of the relief effort, and I know a lot of people want to personally thank them for their service, commitment and care.

I also am proud to represent an area with a large Pacific Islander and Fijian community. I know how important it is to the local Australian-Fijian community that their families who were terribly affected by Cyclone Winston get the assistance they need to recover from this natural disaster. I was also especially pleased to participate in a Taste of Harmony morning tea, convened by the member for Greenway in conjunction with Senator Claire Moore, designed to raise proceeds for Save the Children. In the electorate of Chifley, the local Hindu cultural and welfare association is holding a community fundraiser. I urge everyone to support them in these efforts.

**Education Funding**

Mr CHRISTENSEN (Dawson—The Nationals Deputy Whip) (13:50): The genesis, research, advocacy and ongoing support for the Safe Schools Program is run by La Trobe University's Australian Research Centre in Sex, Health and Society. In fact, the Safe Schools Coalition is run out of that La Trobe centre. Research by the Australian Family Association raised concerns about the centre's deputy director, Gary Dowsett, a long-time advocate of 'intergenerational sex', otherwise known as paedophilia. I refer to Dowsett's article 'Boiled lollies and band-aids' from the journal *Gay Information* where he says: 'How different then is that gentle, tentative sexuality between parent and child from the love of a paedophile and his or her lover? That kind of love, warmth, support and nurture is an important part of the paedophilic relationship.' He argued in that journal article that paedophilia should be part of the gay movement and that it must be legally recognised and he depicted it as a part of a wider sexual liberation.

From 2000 to 2002, Dowsett was on the Victorian government's ministerial advisory committee on gay and lesbian health, putting him in a powerful position to advocate for the Victorian precursor program to Safe Schools. During the lead-up to Safe Schools receiving $8 million in taxpayer funds from Labor, Dowsett was the acting director of the La Trobe centre. I think it would shock many parents to know that a paedophilia advocate was overseeing the organisation that came up with the Safe Schools Program. Given this shocking information, it
is imperative that all federal funding to Safe Schools be suspended immediately pending a full parliamentary inquiry. I seek leave to table Dowsett's article.

Leave not granted.

Education

Ms RYAN (Lalor—Opposition Whip) (13:52): I rise to talk about education and the power of education. I spent last week doing my SRC forums in the electorate where I spend half the day with primary school students and half the day with secondary school students. These are students who are leaders in their schools, who come together to share their stories across the electorate, to share the way that their schools work in student leadership, to share the stories from their schools about the values that they learn in their school environment and to plan work that they might do back in their schools to change or shape the way their school operates or to change or shape student attitudes to issues of the day.

I rise also to put on record my support for all children in all schools, and that all children in all schools be supported by their communities. I rise to support the Safe Schools program because I know that, on the ground, teachers, principals and school communities choose to opt into that program and to use the parts of that program that they think will assist in getting students to work collaboratively and cooperatively together in creating a safe environment for all students, including students of LGBTIQ, to make sure that they feel safe in their environment, welcome and warm—(Time expired)

Robertson Electorate: Australia's Got Talent

Mrs WICKS (Robertson) (13:53): I rise today to congratulate our latest young star from the Central Coast, Fletcher Pilon, a 14-year-old singer-songwriter from Wamberal in my electorate who, this week, won Australia's Got Talent. Fletcher's story is truly inspirational, not only because of his incredible achievement in clinching the $250,000 price, not even because of his obvious amazing voice or the beautiful melodies of his songs, but because of Fletcher's courage in telling his story of how he tragically lost his brother, Banjo, after he was struck by a car while skateboarding with friends. The track Infinite Child from the Banjo EP was dedicated to his much loved brother. Fletcher reprised this tune on Australia's Got Talent, and he had the judges in tears and the audiences on their feet. I know that his success has struck a chord right across our community, and the Central Coast has come together in a show of great strength to support Fletcher, his sister, Gabbi, and his parents, Jilly and Mic. This includes working on a project to help build a skate park in Banjo's honour in Wamberal. Gosford City Council and the New South Wales government have already done some great work on this initiative which is expected to cost between $200,000 and $500,000. There is also a community-driven fundraising page that is building more support every day. I know that, together as a community and together with the member for Dobell, we will keep working to find ways to make his become a reality. In the meantime, let's celebrate this extraordinary achievement by Fletcher Pilon. He is an extraordinary talent and a young man with an incredible future. (Time expired)

Queensland Government

Ms BUTLER (Griffith) (13:55): I rise to take the opportunity to talk about Queensland's amazing state government and the work that they are doing to promote the building of much needed infrastructure in Queensland. I was very privileged to attend an Infrastructure
Association of Queensland breakfast on Monday morning sponsored by the Port of Brisbane. It was wonderful to be have been hosted by the Brisbane Airport Corporation to attend a breakfast to hear a keynote speech from Deputy Premier Jackie Trad, who spoke to us about the state's infrastructure plan that had been released the previous day.

It is an infrastructure plan that is going to put investment into the infrastructure that Queensland will need. It builds on the strong work that the government has undertaken to established Building Queensland, to seek to take the politics out of infrastructure decision making in Queensland, much like Anthony Albanese's very successful Infrastructure Australia model. They also sought to introduce a very innovative approach in last year's state budget, which was the introduction of market-led proposals for infrastructure builds in Queensland. That is something that has been received very well by the Queensland infrastructure community.

One of the major topics that the Deputy Premier spoke about at that breakfast was Cross River Rail. Cross River Rail is woefully behind in Queensland because the Newman government scrapped the plans that were made for Cross River Rail. The Abbott government, now the Turnbull government, scrapped the federal funding. We need Cross River Rail and I certainly hope that attention will be paid to this very important project into the future.

**Truck Drivers**

Mr JOHN COBB (Calare) (13:57): I rise in the House today to talk about a deal that Bill Shorten and the CFMEU have cooked up to make it more expensive to use owner-operator truck drivers and to put them out of business. Yesterday, the Road Safety Remuneration Tribunal failed to alter the commencement date of 4 April for this order which is biased and discriminates against owner-drivers. I am not sure how hiking up owner-driver hire costs will make the industry safer. Is it a coincidence that owner-drivers are the only ones that will cost more? Is a coincidence that owner-drivers tend not to be union members? Is it a coincidence that Shorten put together an independent tribunal that has enormous union-biased people on it? No-one will want to employee someone who is more expensive. We have until midday on 31 March to fight this, and I encourage everyone to make representations to the tribunal to stop this totally biased order. The owner-operators of Calare and I will not stand idly by and watch lives be destroyed.

**Economy**

Mr CHAMPION (Wakefield) (13:58): All over this country blue collar workers are in revolt against a government that has forgotten Tony’s tradies. Last week the member for Sturt told Adelaide ABC, 'I saved Whyalla, quite frankly.' Whyalla steelworkers are here in the building today and all they are asking is that this government live up to its rhetoric, that they back them in on procurement, dumping, co-investment and contracts. We have shipbuilders and submarine builders in this House today from ASC, from Victoria, from New South Wales and from WA. They had to read of their loss, last week, about their jobs going to Spain. They had to listen to Dan Tehan, the member for Wannon, on ABC radio yesterday. When he was asked about submarines he said, 'No decision has been taken yet; we just have to remain calm.' Well they do not want to remain calm in the face of a divided, dazed and confused government. It is a government that has had two prime ministers, two Treasurers, three defence ministers, a revolving door in the National Security Committee of cabinet, and 14...
other ministers. This is a government led by a Womble—by Orinoco. That is who it is led by. And do you know what they say about Orinoco? They say:

Though slothful by nature, Orinoco is capable of some surprising acts of moral and physical courage.

(Time expired)

The SPEAKER: In accordance with standing order 43, the time for members' statements has concluded.

QUESTIONS WITHOUT NOTICE

Budget

Taxation

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:00): My question is to the Prime Minister. Last year, the government promised a tax green paper, a white paper, then the 2016 budget. Then it became a tax statement, then the budget. Yesterday it was, 'Let's skip the statement and go straight to the budget on 10 May.' Today it was reported that the budget will be delivered on 3 May, and Senator Fifield has said the tax statement is back on. Prime Minister, will there be a tax statement, when is the budget and will the government start issuing use-by dates on every answer it gives on these matters?

Mr TURNBULL (Wentworth—Prime Minister) (14:00): I thought yesterday that the Leader of the Opposition was suffering from short-term memory loss because he had given a speech at the National Press Club about various economic matters and he asked not one question about it, so I assumed it had slipped his mind between the Press Club and the House of Representatives chamber. So I imagined that today he would return to it—but, alas, no!

The constant speculation at this time of year about the contents of the budget is understandable, but honourable members and indeed everyone has to wait until the budget is delivered. The one thing we do not have to speculate about in terms of tax and changes to taxation is what the Labor Party's policy is, because they have put forward a series of changes to taxation which are absolutely calculated to reduce housing values, undermine business confidence and consumer confidence, restrain economic freedom, stop or slow investment dramatically by increasing the tax on the gains from investments, and undermine the freedom of Australians to invest.

Under the misleading heading of 'Positive plan to help housing affordability', the Labor Party propose that there can be no negative gearing in any asset except new residential housing. They think this will drive jobs; that is how naive they are. On the outskirts of our cities, in the big subdivisions and new developments there, who are the main buyers? They are homebuyers, very often new homebuyers. That is where Labor will be pushing all the investors. So, if you are a young couple wanting to buy a house-and-land package in an electorate in outer Sydney, in the western suburbs, you will be competing with all the investors that will no longer be able to buy established housing. Then of course, if you are dealing—

Mr Burke: Mr President, on a point of order on direct relevance: the question goes to a series of issues relating to the government's budget. He is not referring to any of that.

The SPEAKER: The question had—how can I say it politely?—an extensive preamble about a range of economic policies. The Prime Minister is in order.
Mr TURNBULL: One of the major concerns, obviously, is ensuring that there is an ample amount of affordable rental properties, and that is of course an issue for every housing policy of every government. What the Labor Party is proposing is that people who own residential property that is typically tenanted—say, in big multi-dwelling units closer to the city—will only be able to sell it to homebuyers who will be residents. So, over time, the pool of rental stock will naturally decline, there will be fewer properties to rent and rents will inevitably go up. Rents will go up and home values will go down. That is what a Labor budget would look like. No wonder they are waiting to see what a real budget looks like—(Time expired)

Competition Policy

Mr BILLSON (Dunkley) (14:04): My question is to the Prime Minister, and it is a genuine delight to ask the Prime Minister: will he outline to this House the government policies that are boosting the economy and innovation, please?

Mr TURNBULL (Wentworth—Prime Minister) (14:04): It is equally delightful to be asked that question by the honourable member, who as a small business minister was such a champion for small business, radiating enthusiasm. One of the honourable member's great objectives as small business minister was to recommend that the government adopt the recommendations of Professor Ian Harper's review into competition law and, in particular, the one relating to section 46, on the misuse of market power.

Today, the work of the honourable member as small business minister and that of many, many members on our side of politics has been fulfilled, because we are adopting the recommendations of the Harper review. We are adopting the effects test. What this will do is ensure that section 46 is pro competition. It will be in language that is calculated to ensure that misuse of market power cannot be undertaken, and it will protect competition. As the ACCC chairman, Rod Sims, has said today, 'The changes that the government has announced will be pro competition, will help improve national productivity and will see lower prices for consumers.' This is good news for Australian families.

Small business is the engine room of the Australian economy. It is the most innovative. It is the most agile. It is vitally important, employing 4.7 million Australians, and always providing the greatest level of innovation and competition and productivity. We are backing small business by improving and reforming competition policy, just as we are backing small investors as drivers of innovation through our national innovation and science agenda, which helps to bring great Australian ideas to market, gives tax incentives to those who invest in start-ups so they can survive and thrive, and helps to prepare our children for the jobs of the future by boosting participation in science, computing and maths.

The difference between our approach and the Labor Party's could not be more stark. Labor opposes better competition policy, it does not want to level the playing field for small business, it does not want to have a misuse of market power provision, a section 46, which is clearly focused on protecting the competitive process; it wants to hammer the housing market, as I described a moment ago, through its very ill-thought-out so-called housing affordability policy which will restrict the freedom of Australians to negative gear, to invest into any asset class except new residential housing; and, in addition to that, Labor is proposing to increase capital gains tax by 50 per cent. (Time expired)
Opposition members interjecting—

The SPEAKER: The members for Gellibrand, Moreton and Wakefield will cease interjecting—this is their first warning.

**Taxation**

Mr BOWEN (McMahon) (14:08): In January the Treasurer said that fixing bracket creep was one of his highest priorities, saying:

… I'm quite passionate about it, because I think that's one of the things that is holding the Australian economy back.

Now, less than two months later, the government has walked away from income tax cuts. What is the point of this government? What has happened to the Treasurer's passion, and when will the government start governing?

Mr MORRISON (Cook—Treasurer) (14:08): I thank the member for McMahon for his question. He continues to speculate about the budget, and I invite him to come on 10 May and he can hear what the budget is and he will know what all the decisions are rather than poring over the speculation in the papers every day because he has nothing better to do. The government does believe it is important that you back the earners in this economy. I remain absolutely committed to the view that as the government we need to do what we can to ensure that we ease the burden on those who earn in this economy, whether they be income tax payers, be they small businesses, be they large businesses—be they anyone out there who is actually earning in this economy. Those opposite have a different approach. Those opposite are saying that those who want to go out there and take the risk and invest in a property for their future are the problem—they should be taxed more. They are saying the police and the nurses and the paramedics and the Defence Force personnel and all of those who they know are the predominant users of negative gearing should be taxed more. That mob over there say that because they cannot control their spending. On this side of the House we do believe it is important to reduce the tax burden on Australians, and we will do that wherever we can. We will target the resources we have to ensure that they go to the place best able to drive investment and support the transition of this economy. The one thing we will not do is we will not lead people on like those opposite did. I refer to the comments of the member opposite to Fran Kelly on my birthday—it was a birthday present! He said in 2010, when they were in government:

… the government has returned the Budget to surplus three years ahead of schedule and ahead of any other major advanced economy …

This apparently happened in some parallel universe in 2010. The member took the show on the road—he did not just say it here. When he was in Malaysia, addressing the sixth World Islamic Economic Forum, this is what he said:

By the middle of 2013, our budget will be back in surplus …

This is what the member opposite said, yet he wants to lecture this side of the House when it comes to fiscal management and he wants to lecture this side of the House on our commitment to reduce taxes. This is the government, on this side of the House, that got rid of the carbon tax, this is the government, on this side of the House, that got rid of the mining tax and got rid of the bank deposit tax of members opposite; this is the government that has
reduced taxes, not increased taxes. We have delivered on our commitments to reduce the tax burden on Australians, and that is what we are about.

Economy

Mrs SUDMALIS (Gilmore) (14:11): My question is to the Treasurer. Will the Treasurer advise the House of the importance of microeconomic reform to support economic growth and jobs in our transitioning economy? How is the government's response to the Competition Policy Review helping to improve the quality of service delivery to customers and provide greater choice for consumers?

Honourable members interjecting—

The SPEAKER: I remind the House again that it is very difficult to hear the question if members are interjecting. I treat that as highly disorderly. I am warning members on my left that I just managed to hear aspects of the question.

Mr MORRISON (Cook—Treasurer) (14:12): I thank the member for Gilmore for her question and her keen interest in areas of competition policy. She understands how competition policy can transform issues for small business in her electorate. We know that, with the terms of trade returning to the long run average, it is more important than ever to drive productivity to support economic growth particularly as we move through the transitioning of our economy. This is the most important economic challenge facing the country—we have to support the positive transition that is occurring in our economy. A key mechanism to drive productivity growth in our economy is of course support for competition. Competition policy, supporting greater competition in our economy, is the way that you can drive productivity and drive innovation. That is exactly what this government has been doing as we have initiated the competition policy review and, more importantly, in responding to the competition policy review we are now moving to implement the recommendations of the Harper review.

In November of last year this government announced our response to the Harper review, and we responded to 44 of the 56 recommendations. Today we have responded to the 45th recommendation. We have responded to the recommendation and we will proceed down the path of implementing recommendation 30 of that report, as the Prime Minister mentioned before, and that is to put the effects test into section 46, to put the lessening competition test into section 46, and remove the take advantage provision. This makes competition policy about the competitive process. It is not about any one competitor or any one business; it is about the consumer. We are focused on the right outcomes for the consumer because we know that when the consumer has greater choice, whether they want to choose their own superannuation fund, for example, to put their money in, or whatever the choice is, the economy will be better off.

The reforms we have announced today in response to the Harper review go to that very point. And that is not the only one that we have adopted from the Harper review. There are some 44 other recommendations, which include going down this path—as governments have done in previous times—and we remember the Hilmer reforms that increased GDP in this country by 2½ per cent. We are going down a Hilmer mark 2 path, and this is something I would hope those opposite would support. They should understand that better competition policy, which drives the innovative process and productivity process and which support jobs
and growth, is what is necessary for our economy. The Prime Minister and I and other ministers are engaging with states and territories on how that competition policy process will be realised. We have strong support to go down this path from them because they understand that this is what is necessary to drive jobs and growth in this transitioning economy. Those opposite may choose to join but I doubt they will. (Time expired)

**Taxation**

Mr BOWEN (McMahon) (14:15): My question is to the Treasurer. The Treasurer said the government wanted to deliver 'large personal income tax cuts', 'significant personal income tax cuts', 'big income tax cuts', 'very big income tax cuts' and 'bigger income tax cuts'. Treasurer, what happened? Who killed off the Treasurer's passion? And what exactly does the Treasurer stand for?

Mr MORRISON (Cook—Treasurer) (14:16): There are three ways you can deliver tax cuts.

*Opposition members interjecting—*

The SPEAKER: Members on my left!

Mr MORRISON: The first one is that you can fund them out of the surplus, but that is not what those opposite left this government. There was no surplus left to this government by those opposite. Funny that, because when they came into government they were left a whopping surplus. Over their time in government they frittered it away by spend and spend and spend. They set fire to the budget and that is what this side of the House inherited.

Honourable members interjecting—

The SPEAKER: The Treasurer will resume his seat. The level of interjection is far too high. The member for Rankin will cease interjecting, as will the member for Throsby. Members on my right—the member for Mitchell—will cease interjecting. The Leader of the House will cease interjecting.

Mr MORRISON: That is the first way. The second way is that you fund them out of nominal GDP growth and, as those opposite should know, nominal GDP growth last year was 1.9 per cent. At other times of fiscal consolidation, when tax cuts were offered, it was growing in excess of five per cent, but that opportunity is not present as we go forward. The third area is that you do tax mixture, and so we on this side of the House we analysed carefully—but dismissed as out of hand by those opposite on political grounds only—that in this economy the best way to be able to go forward is something of that nature. The outcome was that because of the significant compensation, which undoubtedly would have to have been provided at the end of the day, would have added to outlays.

So after careful consideration by this side of the House, we made judgements which we believe were in the best interest of economic management. Those opposite do not follow that path. What they have done—as the architect of the attack on middle Australians with their proposal of negative gearing and increasing the capital gains tax by 50 per cent—is they have rushed out there with no thought of the consequences. Apparently, it is news to them that, if only two out of three buyers turn up at an auction, you are not going to get the same price. It is not news to those on this side of the House—it is common sense. Those opposite are ignoring the most basic principles of the market in pursuing the policies they are doing, because they do not understand that the minute you put the key in the door of a new house
under their proposal it turns into an old house. It is like driving a new car off the lot; it
depreciates in value because you are dealing with a completely different market. They do not
understand that that affects yields, and as a result rents will have to go up. They do not
understand that. Apparently, the way you address housing affordability is by stopping people
investing in shops and shares and factories and partnerships and vehicles and all these things.
This government does not rush out with ill-considered policies—we leave that to those
opposite.

Opposition members interjecting—

The SPEAKER: Members on my left! The member for Gorton will cease interjecting.
The member for Sydney, again, will cease interjecting.

DISTINGUISHED VISITORS

The SPEAKER (14:19): Just before I call the member for Melbourne, I would like to
welcome to the gallery the Hon. Mary Wooldridge, the Leader of the Opposition in the upper
house in the Victorian Parliament.

Honourable members: Hear, hear!

QUESTIONS WITHOUT NOTICE

Climate Change

Mr BANDT (Melbourne) (14:19): My question is to the Prime Minister. NASA has just
said that February was the hottest month on record ever, smashing a century of global
temperature records by a stunning margin—results that scientists have described as 'a climate
emergency'. Prime Minister, do you agree with your own chief scientist that under current
policies we are losing the battle against climate change?

Mr Ewen Jones interjecting—

The SPEAKER: The member for Herbert will cease interjecting.

Mr TURNBULL (Wentworth—Prime Minister) (14:20): I thank the honourable member
for Melbourne for his question. We are transitioning from an old economy or an older
economy to a new one—a 21st century economy, one that is grounded in innovation, in
technology, in competition—and every lever of our policy is pulling in that direction. Climate
change is part of that response. We have effective and responsible climate change policies that
are working. We are on track to beat and meet our 2020 emission reduction target. Our 2030
target is responsible and in line with that of comparable countries.

The honourable member should recognise that we are reducing emissions with our
Emissions Reduction Fund; we are promoting energy efficiency and clean energy innovation;
and we are investing in large-scale renewable energy, particularly large-scale solar and
storage. Our targets are protected through the emissions safeguard mechanism. As I said in
Paris at the climate change conference, we do not doubt the scale of the challenge, but we are
optimistic that we can tackle climate change through innovation and our ability to develop
and share technologies. More importantly, rather than endlessly debating rhetoric—and with
all due respect to the honourable member, some of the language he used in his question, while
no doubt heartfelt, was so imprecise that it is of very little assistance to a government that is
seeking to meet a particular challenge and a particular target.
What we need in the response to global warming—and I do not doubt that temperature figures that the honourable member referred to—is a clear commitment of all governments, all major economies, to emissions reduction strategies. We have made those commitments. We have the policies in place. They are working. And that is the object of the exercise. Emotion and passion have their place—

Mr Watts: There was plenty of emotion in it when you were opposition leader.

Mr Turnbull: but, in terms of reducing our emissions, we need policies that work. The policies that are in place are working. They are able to meet the targets that we committed to in Paris. If they do so and if other nations continue to do so, we will be well on the way to ensuring that we meet the global objective.

Honourable members interjecting—

The Speaker: Before I call the member for Capricornia, the members for Grayndler and Perth will cease interjecting, as will the member for Lalor. The member for Gellibrand is warned. That is his final warning for interjecting continuously through the answer.

Small Business

Ms Landry (Capricornia) (14:23): My question is to the Deputy Prime Minister and the Minister for Agriculture and Water Resources. Will the Deputy Prime Minister update the House on how the government’s implementation of an effects test will enhance the competitive process for small businesses in Australian agriculture? How will this change help to drive innovation and jobs growth in my electorate of Capricornia and elsewhere?

Mr Joyce (New England—Deputy Prime Minister and Minister for Agriculture and Water Resources) (14:23): I thank the honourable member for her question. The honourable member grew up in a small business in Rockhampton with her parents. I think she worked for 21 years in the Lucky Daniel News & Casket Agency—if I remember correctly.

It is the experience of so many on this side of the House—that is, they come from small business. I can see the member for Cowper who was involved with caravan parks. I can see the member for Flynn who had a fuel distributing business. Below him I can see a man who was involved in the hotel business. Another one was an electrical trader. In essence, what drives people on this side of the House is a belief that you can start from any position in life, from any sense of education, from any sense of wealth or without, and make your way through the economic and social stratification by reason of small business to obtain your highest level of freedom, to be master of your own ship. That is what we believe on this side. Therefore, we stand behind laws and changes to laws that allow a person that sense of freedom.

It does provide a sense of ingenuity, a sense of nimbleness to an economy because it makes sure that access to the marketplace and to the economy remains open for all. We know that with more participants in a marketplace we have a greater sense of competition and, over the longer run, obviously, a better price and also a greater sense of being able to develop products and processes.

There are over two million small businesses in Australia employing well over four million people. It is such a large section of our economy.

Opposition members interjecting—
Mr JOYCE: I can hear the flippant discussions from the other side where they would run it down, but, of course, there is a large difference—there is an incredibly large difference.

Opposition members interjecting—

The SPEAKER: Members on my left!

Mr JOYCE: Mr Speaker, if we can just see how many people on the coalition side have been involved in small business. I think we can see that it is quite an involvement. But if we pose the same question to the Labor Party side—how many of you have owned a small business or run a small business?

Opposition members interjecting—

Mr JOYCE: One! I have to give it to you—there is one, two. That is great. So it is not surprising that they just do not get it. To them, they theorise about it, they observe it from a great distance, but they have not been a participant in small business. They do not hold that zeal that we hold on this side that you can be the master of your own ship and not be run by big unions or big business—to, basically, make your own way in the world. That is, in essence, what takes people into the National Party and the Liberal Party.

We can see it even now in discussions with people such as Lia Mahony of the Tamworth chamber of commerce and in how interested they are to make sure that we provide a marketplace which gives them a better place to get better protections for pharmacies, for fuel distributors and for all those who make up our side of the political fence. (Time expired)

Turnbull Government

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:27): My question is to the Prime Minister. The Prime Minister promised new economic leadership. The government promised tax cuts. Isn't it true that all things that the government promised have gone down the drain, and all that is left are the extreme cuts of the Abbott government's 2014 budget?

Mr Husic: 'I have confidence in my government.'

The SPEAKER: The member for Chifley will cease interjecting.

Mr TURNBULL (Wentworth—Prime Minister) (14:27): The honourable member, the Leader of the Opposition, in this question about economic leadership chooses to overlook a few objective facts. We are seeing the Australian economy growing in the December quarter at three per cent real growth. We are seeing high levels of business and consumer confidence. We are seeing high levels of job creation. The economy is successfully transitioning from one that was fuelled by a very large spike in mining constructing investment—close to eight per cent of GDP at its height—to one that is vastly more diverse and that is reacting, of course, and responding to the big opportunities that we have seen in East Asia, enabled by the free trade agreements. So our transition has been very successful. And we need to continue ensuring that it is. The government is making decisions that will enable that to continue. So we are promoting innovation, we are promoting investment, we are providing real incentives to investment in the start-up companies, as I mentioned earlier, that will enable that stronger economic growth.

The Labor Party, on the other hand, are increasing capital gains tax by 50 per cent. It is absolutely calculated to discourage investment at a time when so many people want to move into small business and move out of employment to leverage their human capital into
investment and assets. The Labor Party are restricting that. They are proposing that the only asset that anyone can negative gear against their own personal income is new residential housing. Under the spurious guise of talking about affordable housing, they are saying you cannot negative gear a portfolio of listed shares, you cannot negative gear shares in a private company that you have set up to start a business, you cannot negative gear commercial property. What on earth has that got to do with affordable housing? I will tell you what it does have a lot to do with: it is blocking the path to entrepreneurship and the path to enterprise.

When you look at real reform, my government is taking the tough decisions. We are taking on reform of the Senate, the most fundamental and most important institution in the country. We are taking on Senate reform. Labor has walked away from that. We are taking on media law reform, which has been kicked into the long grass for at least a decade. That is another reform that has come out of the too-hard basket. Today we are announcing reforms to section 46—standing up for competition and standing up for consumers. These are all examples of a government that is not afraid to take on issues that have been put into the too-hard basket for years, if not decades. We are governing. We are getting on with real economic leadership.

Ms Macklin interjecting—
Mr Brendan O'Connor interjecting—

The SPEAKER: The members for Jagajaga and Gorton are now warned.

Small Business

Mr SUKKAR (Deakin) (14:30): My question is to the Minister for Small Business and Assistant Treasurer. Will the minister update the House on what actions the government is taking to strengthen small businesses, including in my electorate of Deakin?

Ms O'DWYER (Higgins—Minister for Small Business and Assistant Treasurer) (14:31): I would like to very much thank the member for Deakin for his question. He is a very powerful advocate for small business in his local community. He has more than 12,600 small businesses in his electorate of Deakin. As he travels around his electorate and I travel around the country, we talk to small businesses. We know that small business raise with us each and every day the need for strong competition policy. At the heart of strong competition policy is the need to have an effective misuse of market power provision. This is important for small business. There are two million small businesses in this country, which is 97 per cent of all business in this country. The government today has announced its response to the Harper reform recommendations to make sure that section 46 and the misuse of market power provision is fit for purpose and that it is not supporting anticompetitive conduct that impedes important and fundamental economic growth. By contrast out changes—the changes that have been announced today—protect the competitive process. They protect competition, which means that all business in this country can have a go. All businesses will be able to back themselves, be able to take risks and be able to engage in that entrepreneurial activity, which means that we can grow jobs in our economy.

The government has also announced that we accept other recommendations announced by the Harper review, and these will particularly help small business and directly benefit them—for example, access to remedies. The government is supporting the ACCC to take steps to improve communication to make sure that small business is not caught up in litigation but has access to alternative dispute resolution systems. That is also supported by the government's
most recent announcement with the appointment of the Small Business and Family Enterprise Ombudsman in Kate Carnell. She started work last Friday, and already she is hard at work speaking with small businesses, keeping them out of the court system and making sure that she can ensure that their disputes are resolved in advance of them getting into the court system.

We are also making sure that we support business by cutting company tax rates for small business by 1.5 per cent, giving a five per cent discount for unincorporated entities and allowing them to invest in their small businesses by giving them access to an instant asset write-off for eligible assets up to the value of $20,000, which lasts right up until 30 June 2017. We are also giving them access to finance through innovative new methods like our crowd-sourced equity funding platforms announced as part of the government's National Innovation and Science Agenda. We back small business. Why don't those opposite— (Time expired)

**Taxation**

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:34): My question is to the Prime Minister. Last year the Prime Minister said:

Bracket creep is seeing Australians on average earnings move into the second-highest tax bracket. That is not right. … Isn't that a problem that we should address? … Well, of course, it is.

Prime Minister, isn't breaking your word on tax cuts just more proof that every idea this Prime Minister has ends up going right down the drain?

Mr Mitchell interjecting—

The SPEAKER: The member for McEwen will cease interjecting.

Mr Pyne interjecting—

The SPEAKER: The Leader of the House will cease interjecting.

Mr Joyce interjecting—

The SPEAKER: The Deputy Prime Minister—

Mr Pyne interjecting—

The SPEAKER: The Leader of the House and the Deputy Prime Minister will cease interjecting.

Mr TURNBULL (Wentworth—Prime Minister) (14:34): I thank the Leader of the Opposition for his question about tax, because it does give me an opportunity to talk about the dangerous tax changes that are being proposed by the Labor Party.

Mr Sukkar interjecting—

The SPEAKER: The member for Deakin!

Mr TURNBULL: I do not think the significance of the changes that Labor is proposing to the tax system is generally understood. They represent, for example, that negative gearing represents some kind of special concession. So-called negative gearing is no more than income tax 101. It enables a taxpayer to deduct the interest cost of borrowings incurred for the purpose of acquiring an income-producing asset. They bring the income to account and they also bring the cost of the borrowings to account. If that results in a loss, then that can be called negative gearing. This is an absolutely standard business practice engaged in by
millions of businesses and well over 1.4 million Australians in respect to residential property alone. The Labor Party claims that they are concerned about housing affordability.

Ms Macklin interjecting—

The SPEAKER: The member for Jagajaga has been warned!

Mr TURNBULL: Everybody knows that the challenge for housing affordability—

Mr Pyne interjecting—

The SPEAKER: The Leader of the House will cease interjecting.

Mr Burke: Mr Speaker, on a point of order: the question was specifically about bracket creep. The Prime Minister is refusing to deal with anything about his own policy. He is being completely irrelevant to the question.

Government members interjecting—

The SPEAKER: Members on my right!

Mr Pyne interjecting—

The SPEAKER: I gave the Manager of Opposition Business the opportunity to make his point of order without interruption. He will not add to it as he moves back to his seat.

Mr Pyne interjecting—

The SPEAKER: The Leader of the House will cease interjecting. I listened to the question very closely. I have made it clear before, and I am not going to restate my long rulings. The Prime Minister is on the policy topic—and, in any event, that question had a very broad tagline at the end.

Mr TURNBULL: The Labor Party's tax changes will have these certain consequences: they will reduce the amount of housing that is available for tenants—

Ms Plibersek interjecting—

The SPEAKER: The member for Sydney is warned!

Mr TURNBULL: they will increase rents and they will undermine the value of all residential housing. They will reduce home values and undermine the value of the largest single asset class in Australia, which overwhelmingly represents, for most Australian families, their largest asset. The economic consequences of that are very negative. It is called the wealth effect. When people feel their wealth is diminishing, they are much less likely to spend—they save rather than spend—and they are much less likely to invest. If this were not enough, at a time when we want to have more investment and at a time when the government is today introducing into the House legislation to provide real tax incentives for people to invest in start-up companies and capital gains tax exemptions, what does Labor do? It increases capital gains tax on every asset by 50 per cent. It increases capital gains tax with the absolutely certain consequence that there will be less investment. There will be lower house prices, higher rents and less investment.

Dr Chalmers interjecting—

The SPEAKER: The member for Rankin is warned!

Mr TURNBULL: That can mean only one thing: fewer jobs, fewer businesses formed and less enterprise. That is Labor's recipe; it is a recipe for economic failure.
Honourable members interjecting—

The SPEAKER: Members on both sides will cease interjecting, including the member for Deakin. The member for Rankin will leave under 94(a).

The member for Rankin then left the chamber.

DISTINGUISHED VISITORS

The SPEAKER (14:38): On that note, it is my pleasure to inform the House that we have present this afternoon a parliamentary delegation from Cambodia led by the President of the National Assembly. On behalf of the House, I give you a warm welcome.

Honourable members: Hear, hear!

QUESTIONS WITHOUT NOTICE

Economy

Ms SCOTT (Lindsay) (14:39): My question is to the Treasurer. Will the Treasurer update the House on how the government is supporting investment, economic growth and jobs in our transitioning economy by encouraging innovation, investment and enterprise in Australia? How is the government's innovation agenda helping to create a more modern, dynamic, 21st-century economy and jobs for more Australians?

Mr MORRISON (Cook—Treasurer) (14:39): I thank the member for Lindsay for her question because she sees, out there in her electorate in Western Sydney, the transitioning economy taking place every day. She can see the businesses in her own electorate and Australians out there working hard and making the transition happen. Today in this House, the government introduced new legislation that is going to encourage innovation, encourage the risk takers—as The Financial Review was encouraging risk takers—to become the growth makers and support entrepreneurial culture in Australia. That is at the heart of the NISA, which has been outlined by the Minister for Industry, Innovation and Science.

As part of that $1.1 billion incentivising package, the bill that we introduced today will provide concessional tax treatment to investment in innovative high-growth start-ups, as the Prime Minister has just mentioned. It reforms arrangements for venture-capital limited partnerships to improve access to capital and make the regime more user-friendly and more internationally competitive. Some 4½ thousand start-ups miss out on equity finance each year. The economy and the tax system need to encourage and support the innovators to create the new ideas and turn them into commercialised products.

What this government is doing through changes to the tax system is backing Australians whom we know will innovate and create growth, and therefore jobs, whether it is in the member for Lindsay's electorate or in electorates represented right across this chamber. The changes we are putting in place will reduce the tax burden on investment. The plan on this side of the House is to reduce the tax burden on investment, because we understand that, if you want to encourage investment, which is one of the key challenges in our transitioning economy, then you have to reduce the burden on that investment when it comes to taxation. There is a 20 per cent non-refundable tax offset for investments of up to $1 million in early-stage innovation companies.

Here is one that they should pay close attention to: a 10-year exemption on capital gains tax, provided investments are held for 12 months. On this side of the House, we think it is a
good idea to reduce capital gains tax to support investment. On that side of the House, they think they should increase capital gains tax on property investments, commercial property investments and share investments—all of these things—through their ill-thought-through policy. That is what they think. On this side of the House, we believe it is important to have a tax system that encourages investment, because that is the key ingredient to support the transitioning of our economy. Those opposite cannot seem to grasp this point about reducing the tax burden on investment, and that is why those on that side of the House cannot be trusted to manage the transition that is taking place in our economy.

*Ms Butler interjecting—*

**The SPEAKER:** The member for Griffith is warned!

**Taxation**

**Mr SHORTEN** (Maribyrnong—Leader of the Opposition) (14:42): My question is to the Prime Minister. Prime Minister, what is the government's tax policy?

**Mr TURNBULL** (Wentworth—Prime Minister) (14:42): The Leader of the Opposition knows full well that any changes to tax in any government's life are announced—not universally, but almost invariably—in the budget. The Leader of the Opposition is—

**Mr Shorten:** Mr Speaker, I rise on a point of order going to direct relevance. I did not ask what the Prime Minister's future tax policy is; I just want to find out what the government's current tax policy is.

**The SPEAKER:** The Prime Minister has the call.

**Mr TURNBULL:** At a high, philosophical level, our commitment is to taxes that are lower, fairer and simpler. We want to ensure that the tax system works as effectively as possible and applies the least handbrake or deadweight loss to the economy. That is why we have reviewed the tax system very carefully. The conclusions of that review or any changes arising therefrom will be set out in the budget in the normal way.

There are some changes that have been proposed since I have been Prime Minister, and obviously the one we mentioned earlier today in question time, creating tax incentives for investment in start-up companies, is one, and that is a good example of us endeavouring to use changes to the tax system to promote investment. But what the honourable member is asking is this. He wants to know the contents of the budget on 16 March. Yes, they want us to present the budget in March! Well, the contents of the budget and tax changes contained therein will be delivered on budget night in the normal way.

The honourable members opposite were reckless and unwise enough to publish their own tax plans.

*Opposition members interjecting—*

**Mr TURNBULL:** Oh yes. This is their special formula: to undermine housing prices, to put up—

**The SPEAKER:** The Prime Minister will resume his seat.

**Mr Burke:** Mr Speaker, on a point of order—

**The SPEAKER:** The Manager of Opposition Business will resume his seat. The level of interjections is far too high. I am going to hear from the Manager of Opposition Business. I
am not going to keep warning over and over again. The member for Griffith will leave under 94(a). I was waiting until the end of the answer so as not to interrupt question time, but the Manager of Opposition Business has given me an interlude.

The member for Griffith then left the chamber.

The SPEAKER: There has already been a point of order taken on relevance. I refer the Manager of Opposition Business to my earlier rulings about answers being on the policy topic. I cannot possibly see how there is another point of order, but, out of deference to the Manager of Opposition Business, I will hear him.

Mr Burke: The Prime Minister is defying your earlier rulings.

The SPEAKER: I disagree with the Manager of Opposition Business.

Mr Turnbull: I thank the honourable member for the interruption because it gave me the opportunity to recall another great moment in Labor Party tax policy, when they actually voted against our multinational anti-tax-avoidance laws, so there you have got the Labor Party.

Honourable members interjecting—

The SPEAKER: The Prime Minister will resume his seat.

Mr Shorten: Mr Speaker—

The SPEAKER: The Leader of the Opposition will resume his seat. The level of interjections continues to be too high. I say to all members that if they examine my earliest rulings on this topic from my first two weeks in the chair, they will see that I have asked that, with direct relevance, although it is a difficult issue for the chair, provided the answers are on the policy topic and the question was about tax; it was a short question—

Honourable members interjecting—

The SPEAKER: No, I am sorry; I am not going to have members interject when I am addressing the House. If they do not want me to address the matter, we will simply move on. I am really not going to. I know passions run high, but I have made my position clear on this on numbers of occasions. The question was about tax policy, and I have made clear that, provided the answer is on that topic—and I have also made clear that those answering questions are able to compare and contrast within their answer. The Prime Minister has the call.

Mr Turnbull: The honourable member has asked about what our tax policy is. I have reminded him that substantial tax changes will be, obviously, in the normal course of events, announced in the budget, but I do draw his attention to the incentives we are providing for investment today and also note the very substantial changes to the law delivered last year which will reduce multinational tax avoidance and which the Labor Party voted against. (Time expired)

MOTIONS

Turnbull Government

Mr Shorten (Maribyrnong—Leader of the Opposition) (14:48): I seek leave to move the following motion:

That the House:
(1) notes that:
(a) when the Prime Minister deposed the Member for Warringah, he promised new economic leadership for Australia—
Mr Ewen Jones: I’ve got a question!
The SPEAKER: The member for Herbert is warned.
Mr SHORTEN:
(b) the Prime Minister promised a significant tax reform agenda. The Turnbull government—
Government members interjecting—
The SPEAKER: Could the Leader of the Opposition just resume his seat for one second. I need to hear the motion. The member for Herbert will leave under 94(a). I asked him to cease interjecting.

The member for Herbert then left the chamber.
The SPEAKER: I am trying to hear the motion. The Leader of the Opposition will begin his motion again.

Mr SHORTEN: I seek leave to move the following motion:
That the House:

(1) notes that:
(a) when the Prime Minister deposed the Member for Waringah, he promised new economic leadership for Australia;
(b) the Prime Minister promised a significant tax reform agenda; and
(c) the Turnbull Government has said the entire reason for its tax reform agenda was to deliver personal income tax cuts for Australians; and

(2) notes that in the chaotic six months since the Prime Minister deposed the Member for Warringah, the Turnbull Government has:
(a) floated and then shelved plans for an increased GST;
(b) floated and then shelved plans for dealing with what the Government described as the excesses in negative gearing;
(c) backflipped on superannuation tax concessions;
(d) attacked Labor’s responsible plan for tobacco excise but now plans to adopt some or all of it; and
(e) floated and then shelved personal income tax cuts for Australians;

(3) notes that the only policies the Government has kept on the table are extreme cuts, including from the 2014 Budget, including plans for $100,000 university degrees, cuts to family payments, cuts to pensions, cuts to Medicare, and cuts to schools and hospitals; and

(4) condemns the Government and the Prime Minister for failing to meet their own tests, including failing to:
(a) provide new economic leadership;
(b) respect the intelligence of the Australian people;
(c) deliver any tax reform; and
(d) deliver a stable and competent Government but instead leading a Government wracked by chaos and dysfunction.

Leave not granted.
Mr SHORTEN: I move:

That so much of the standing orders be suspended as would prevent the Member for Maribyrnong from moving the following motion forthwith—

That the House:

(1) notes that:
   (a) when the Prime Minister deposed the Member for Warringah, he promised new economic leadership for Australia;
   (b) the Prime Minister promised a significant tax reform agenda; and
   (c) the Turnbull Government has said the entire reason for its tax reform agenda was to deliver personal income tax cuts for Australians; and

(2) notes that in the chaotic six months since the Prime Minister deposed the Member for Warringah, the Turnbull Government has:
   (a) floated and then shelved plans for an increased GST;
   (b) floated and then shelved plans for dealing with what the Government described as the excesses in negative gearing;
   (c) backflipped on superannuation tax concessions;
   (d) attacked Labor’s responsible plan for tobacco excise but now plans to adopt some or all of it; and
   (e) floated and then shelved personal income tax cuts for Australians;

(3) notes that the only policies the Government has kept on the table are extreme cuts, including from the 2014 Budget, including plans for $100,000 university degrees, cuts to family payments, cuts to pensions, cuts to Medicare, and cuts to schools and hospitals; and

(4) condemns the Government and the Prime Minister for failing to meet their own tests, including failing to:
   (a) provide new economic leadership;
   (b) respect the intelligence of the Australian people;
   (c) deliver any tax reform; and
   (d) deliver a stable and competent Government but instead leading a Government wracked by chaos and dysfunction.

The Prime Minister has given up governing. The Prime Minister and his new economic leadership are simply going down the drain.

We can date the birth of new economic leadership under the Turnbull government: 14 September 2015. Six months later, we can date the death of new economic leadership: 16 March 2016. This government has given up governing. The reason this resolution should be discussed in the parliament is Australians are aghast that after six months of the Turnbull promise nothing has materialised. I believe that many Australians had a hope that politics could be better after the change from Mr Abbott to Mr Turnbull. We knew that the job might be harder over on this side but we knew there was a chance to debate ideas, including tax reform. Six months later 'massive disappointment' is the overwhelming emotion of many Australians about the Turnbull government.

The Prime Minister and the Treasurer have failed the tests they set themselves. It was not Labor that set the test of new economic leadership. It was Mr Turnbull. He justified rolling the member for Warringah on the basis of new economic leadership. In that time, we have seen the constant retreat backwards from tax reform. There was going to be a white paper on
taxation. The Prime Minister said in question time today: 'I'll tell you what is going on, people of Australia, in the due process and it will be at the budget.' But that is not, actually, what they have said before today.

Mr Turnbull, over here, thought it was easy being Prime Minister—'Roll Mr Abbott' and his inevitable destiny awaited Australia. The problem is, in the meantime, he promised a white paper on taxation. He then promised a green paper on taxation. Then we were going to have the budget. That has disappeared. Then what he promised was a tax statement. He promised a tax statement and then a budget. Then he decided, yesterday—in one of those Turnbullian sorts of excesses where I am not sure that his Treasurer was notified, but that is business as usual in the Turnbull government—'We'll skip the tax statement. I'll tell you at budget.'

Then we had Senator Fifield out there today—because it is hard to keep up with the lines of the day when they are the lines of the hour—saying, 'No, we might have a tax statement.' Today, again, we asked the Prime Minister, in a very straightforward fashion—it was a most polite inquiry for information—'What is your tax policy?' Yet again, what we have seen is the defining response of politics, in this country, in 2016. All the government could do, all the Prime Minister could do, was talk about us, because the opposition has put forward well costed, well funded responsible plans for the future. What we have seen this government do—and why we must, most certainly, talk about this motion—is move away from dealing not only with tax reform but also with housing affordability. This Prime Minister lets himself down.

He is not really Mr Abbott and I am not sure his heart is always in some of the scare campaigns of the more conservative elements of his party. I am not sure, in fact, the Prime Minister's heart is in a lot of what he pretends to be his policy now. But that is a resolution for another day. What he will not do is deal with housing affordability. He said that our plan on negative gearing—which is not retrospective, which is aimed at encouraging new housing, which is aimed at helping first home owners into the housing market—our policy of providing government support for new housing and non-existing housing is 'disastrous'. You can just hear him—the fingers running across the grand piano—saying, 'This is terrible.'

The point he has neglected to tell the Australian people is that Liberal and Labor state and territory governments have already scrapped first-home-owner-buyer schemes for existing houses and they use them, now, for new housing. If Mr Turnbull was right, why did he not say anything in the last five years when state and territory governments had been scrapping schemes and moving the priority to new housing? I understand some of the problem Mr Turnbull has. He cannot be captain-coach and play all 18 positions on a football field, can he? He has to let 'Guess who?' out-of-the-box occasionally. I am talking about poor old Treasurer Morrison.

We talk about the Prime Minister shrinking into his job. You should see the Treasurer. You need a microscope to find that fellow these days. The difficulty, I feel, for Mr Morrison in all of this is he said he has a passion—such a strong word; it is Morrisonian in context—for income tax cuts. The problem is, he has had his passion cooled. This poor old Treasurer must hate going to cabinet these days. Has this Treasurer won a single economic argument with Barnaby Joyce since he got there? I understand it must be very embarrassing to lose arguments to Barnaby Joyce. Not that we would know!
Mr SHORTEN: What we have also seen, with this loss of this new economic leadership, is the Treasurer—he was going to look at the GST. It is just shelved. It is not dead, buried and cremated, but it is certainly shelved for the time being. I am just wondering, with this Treasurer, if it is possible for Mr Turnbull to sub in a new Treasurer. Goodness knows, Mr Porter and others would be willing to do the job for Mr Morrison. What I am curious about is: has the Treasurer been down to see the foreign minister to see if the Washington post is available? No, that is gone. Maybe something more low-profile, like New Zealand. He could talk to his old mate McClay and get some more anecdotes for the next Press Club speech.

The truth of the matter is, in 2016, politics is changing, but it is not changing in the way that Mr Turnbull promised. He is running a negative approach and a small-target approach. Mr Turnbull—the insurgent radical reformer of courage, who many Australians liked before he became leader—that personality has gone and his real persona has emerged as Prime Minister of Australia. He is nothing but a paid advocate of the Liberal Party co-joined with the erratic leadership of the National Party, and Australia is the worse. The reason we are not getting tax reform in this country is Mr Turnbull believes in nothing other than himself. That is a very confident set of beliefs, though, I understand.

Everything he said he believed in before he became Prime Minister—tax reform, climate change, the CSIRO and even marriage quality—has been dropped. The only thing agile about this Prime Minister is—not his tax reforms—his convictions. This man puts the vane into weathervane. He is the ultimate hollowman of Australian politics.

Let me say this to the Prime Minister on behalf of all Australians: there is nothing honest about not being up-front with your taxation plans for Australia. You have had six months to deliver an outline of taxation reform in this country and all you have done is walk away from the excesses of negative gearing, which you acknowledge exist. All you have done is reverse the position on superannuation tax concessions. But you are still persisting—having boxed yourself in by perhaps talking too much and doing too little—with the 2014 budget.

I can promise you this, just like we promised Mr Abbott with the 2014 budget: we will fight your cuts to hospitals; we will find your cuts to schools. There is nothing exciting about making cancer patients and people with chronic disease pay more to go and get their pathology and diagnostic imaging tests. This government needs to stand up and start fighting for the Australian economy and start fighting for Australian jobs. We see nothing exciting about shipping 3,000 shipbuilding jobs to Spanish ports, not Australian shipfields.

This motion should be debated because taxation reform needs an honest debate and it needs to be up-front with the Australian people, just like Labor.

The SPEAKER: Is the motion moved by the Leader of the Opposition seconded?

Mr Burke: I second the motion and reserve my right to speak.

Mr TURNBULL (Wentworth—Prime Minister) (15:01): That stirring address ended with a mention of ships, which of course reminds us that, during the six years of the Labor government, not one naval vessel was commissioned, not one ship. We have had to pick up that six years of neglect.
The honourable member talks about the economy and he complains about the economy. Our economy is growing, as at the last quarter, at a three per cent real rate. That is higher than any of the G7 economies. It is considerably in excess of the OECD average. It is doing well in all of the circumstances, where there are real global economic headwinds. Of course, we are transitioning from a mining-construction boom led economy to one with sources of growth and job creation that are more diverse. We are transitioning much better than other similarly resource dominated economies, which of course would be Canada and Brazil.

The honourable member reminds me that I have been Prime Minister for six months. He has cast his judgement, he says, on behalf the Australian people on my prime ministership. Well, I can note that consumer confidence has risen 11 per cent since mid-September, and confidence in the economic outlook has increased, with economic conditions next year estimated to be 20 per cent higher and economic conditions in the next five years 10 per cent higher than mid-September. That may be a more reliable indication of what Australian consumers and investors are thinking.

The government has undertaken, in the six months since I became Prime Minister, one substantial policy commitment after another. First, we committed to an innovation and science agenda, which will bring more Australian ideas to market. It will connect our best research and developers with the business and industry contacts that they need to commercialise their investment. It will ensure that start-ups, who struggle to get access to capital—

Ms Macklin interjecting—

The SPEAKER: I remind the member for Jagajaga that she has been warned.

Mr TURNBULL: will be able to do so, by providing real tax incentives—and there is a very marked contrast to the approach of the Labor Party, which is of course increasing capital gains tax by 50 per cent. The absolutely directly calculated inevitable consequence of that will reduce investment. Nothing is more certain. If you want people to do less of something, increase the tax. That is why the Labor Party and others advocate an increase in tax on tobacco, because they want people to smoke less. If you increase the tax on investment, you will have less investment—that is precisely what they have sought to do.

We brought out the defence white paper, the first fully costed white paper since 2000. It increases defence funding by $30 billion over the next 10 years. It delivers on our election commitment to return defence spending to two per cent of GDP. What is most important about the defence white paper is that it is a statement about investment and it is a statement about innovation, and it is determined to ensure that, so far as possible, every dollar we spend on Australia's defence capabilities is invested here in Australian technology, in Australian industries, creating Australian jobs. That is our focus. We have gone to the length of establishing a defence industry collaboration centre, headquartered in Adelaide, as honourable members are aware, whose job it is to make sure that we have better connections and engagement, particularly with small businesses, which often struggle to get connected, to get engaged with the giant of the Australian defence forces.

Against the Labor Party's opposition, we secured passage of the legislation, finally—Labor crumbled at the last minute—to ensure that the China-Australia Free Trade Agreement could
become operative. That is an enormous achievement, and it was opposed, as we know, root and branch by the Labor Party and the union movement.

For many years, perhaps not everyone—a few vested interests have opposed it—but the vast majority of people understanding the industry have said that the media ownership laws were way out of date, that they predated the internet, that they needed reform. Previous Labor governments—previous coalition governments, to be fair—have not addressed that. We have taken that on. We are reforming the media ownership laws to bring them into the 21st century.

In the Senate today, we are debating some of the most important reforms to this parliament. This is the most important institution in the Australian democracy, and everybody on the other side was united not so long ago—

Ms Plibersek interjecting—

The SPEAKER: The member for Sydney has been warned. The member for Sydney will leave if she continues to interject.

Mr TURNBULL: in saying that the Senate voting system was absolutely undemocratic because it enabled the gaining of group voting tickets to deliver perverse outcomes or undemocratic outcomes, where people who had received a tiny number of primary votes appeared, through elaborate use of preference swapping, to be elected as senators. The Joint Standing Committee on Electoral Matters said that that had to go, that it was undemocratic. There was wide community support for that. The member for Brand, who is not in the chamber at the moment, was perhaps the most eloquent advocate of that reform. Then, at the last minute, when my government took that reform out of the too-hard basket and sought to implement it, sought to legislate it, what did Labor do? Labor did the backflip. Talk about dysfunction and chaos. Labor were the greatest advocates of it and then they became the greatest opponents. Now, of course, it is progressing through the Senate, but that is a vital reform to the single most important institution in our country.

For years there has been a diminution, a decline, in confidence in the way that consumer and competition laws operate. Small business, in particular, has felt that section 46, the misuse of market power provision, has failed. There have been many attempts, as honourable members know, to patch it up, after one disappointing court case after another. The clear choice was, as set out by Professor Harper in his review, to move to an approach that sought to protect the competitive process—competition as a whole—and sought to do so by focusing on the effects of conduct by people with substantial market power. That, of course, is consistent with the approach that is taken to protecting competition in Europe and, indeed, in the United States.

Now, of course, the Labor Party—no friend to small business—absolutely opposed any reform of that kind. They said, ‘No, section 46 should stay in exactly the same form as it is.’ We have taken that hard problem out of the too-hard basket. We have consulted carefully and considered it carefully and we have announced our decision. That is governing. That is making hard decisions. Each of those three cases that I just mentioned—Senate reform, media law reform and section 46—are long-overdue reforms which the Labor Party would not engage with. They did not have the courage, the conviction or the policy commitment to do anything about it, and we have, on all those three fronts. That, together with our other measures, is supporting strong economic growth.
The honourable member talks about tax. I have said more than enough today—I do not think I need to repeat it—about the opposition’s negative gearing policy. But let me remind honourable members of this: one of the most important elements in the tax system is to ensure that taxpayers pay their tax and, above all, to ensure that multinational corporations pay their tax, because they have access to advice and structures which smaller companies—and, of course, citizens—in Australia do not have.

When the Treasurer brought forward the multinational tax avoidance bill—a bill that had the consequence of dramatically shrinking the ability of multinationals to dodge tax—it was in line with the OECD's base erosion and profit shifting agenda, so it was entirely coordinated with that of the other developed economies in the OECD. Where did Labor stand on that? What was their policy? They voted against it. The Treasurer was able to negotiate the support of the Greens in the Senate to ensure that it was carried. So the Greens stood up for holding multinational taxpayers to account and the Labor Party wanted to let them off the hook. The Labor Party's hypocrisy on tax is outrageous. Their only tax proposals to date have been to let multinationals off the hook and to slug individuals who want to take a risk, want to invest and want to have a go. Labor stand there, blocking the path to entrepreneurship. (Time expired)

Mr BURKE (Watson—Manager of Opposition Business) (15:11): That was some of the longest 10 minutes the parliament has ever been through.

Government members interjecting—

Mr BURKE: Oh, the backbench is still there! I have not heard them for so long! That speech cleared the public gallery and tranquillised the backbench. Who would have thought we would get to the point in question time when the toughest question you could ask a Prime Minister is: 'What is your government's tax policy?' Who would have thought that was the tough one? He would say, 'Why didn't they think of that in PMO? Why didn't they come up with an answer?' What is the government's tax policy? We get to a situation where we have a resolution dealing with it, and what does he talk about? How you change the voting rules for the Senate.

We have a government that have failed every test they set for themselves. They said they would deal with the excesses of negative gearing. That is dead. They said they would never increase super tax. That is dead. They said they would never increase tobacco excise. That is now dead. They said they would increase the GST. That has been shelved for now. They said that they would cut personal income taxes. That is now dead. We now have a situation where every day they get closer and closer to the 2014 budget, brought down by the people they claim to be an alternative to.

Be warned: any time you hear someone from over that side say they are passionate about an issue, the issue is doomed. The Prime Minister was passionate about the republic—doomed. He was passionate about marriage equality—doomed. This guy over here was passionate about dealing with bracket creep—doomed; gone. The Prime Minister was passionate about climate change—doomed. As long as they say they believe in something, be guaranteed they will fly the kite and then they will cut the little cord that the kite is flying on and watch it blow away. Every chance they get, where people think, 'Maybe they're going to stand for something,' this Prime Minister comes in and shows the only leadership he is capable of: to stand for nothing.
Even on the most simple issues—in the Senate, during this same question time, the finance minister was asked: 'When the budget will be?' He stood up and agreed that it would on 10 May. This Prime Minister, in answer to the first question when asked what the date for the budget will be, said, '16 March.' That is today! Yesterday, the Leader of the House was off briefing the crossbench, saying it was going to be on 3 May. So we have three dates for the nation's budget. I have to say, the concept of it being today is just as plausible as anything else the Prime Minister has been offering in this parliament.

We have somebody who created so much hope among a lot of people that the nation's debate, at least, whether you agreed with him or disagreed with him, would improve when he became Prime Minister. Since then, you can find debate, but it is him disagreeing with himself on a daily basis. He gets up in question time and he asks himself questions. He does an interview and he argues with what he said the day before. I have to say, he is doing really well in the debate! It is riveting television! The problem is that it is not taking the nation anywhere.

Tax policy matters. But all the tax policy in all the tax debates is being led by this side of the House, as is the entire policy agenda for the nation. Where the agenda is being led from is shown by the simple fact that if you ask a question about tax policy the only policies those opposite have to talk about are Labor's policies. They are the only ones they have to talk about.

Then the government tried to have their big attack on negative gearing that they had in the drawer. Every time the Prime Minister says, 'Housing prices will go down,' we have the voice of the Assistant Treasurer piping up in the background, telling us that housing prices will go up. Will they go up or go down? The only constant theme is that we are meant to be terribly afraid of both. If fear is all the government have going for them, why did they bother replacing Mr Abbott? He was much better at it.

You would think at some point they would want to stand for something in politics. You would think they would have a reason for being. You would think that there would be a principle. Today at least from the Prime Minister we had the concept of there being a human right—he referred to a fundamental right—when he said that Labor's policy will restrict the freedom of Australians to invest and to negative gear. That is the first time I have ever heard a declaration of the freedom to negatively gear! But that is the principle they have. They have a fundamental principle that the government will give more help to the person buying their second, third or 10th home— (Time expired)

The SPEAKER: The time allotted for this debate has expired. The question is that the motion moved by the Leader of the Opposition be agreed to.

The House divided. [15:20]

(The Speaker—Hon. Tony Smith)

Ayes ....................55
Noes ....................86
Majority ...............31

AYES

Albanese, AN  Bandt, AP
Bird, SL  Bowen, CE

CHAMBER
A YES

Brodtmann, G
Burke, AS
Byrne, AM
Chesters, LM
Claydon, SC
Conroy, PM
Dreyfus, MA
Ellis, KM
Ferguson, LDT
Giles, AJ
Griffin, AP
Hayes, CP
Jones, SP
Leigh, AK
MacTiernan, AJGC
Mitchell, RG
O’Connor, B PJ
Owens, J
Perrett, GD
Ripoll, BF
Rowland, MA
Shorten, WR
Swan, WM
Thomson, KJ
Watts, TG
Zappia, A

Burke, AE
Butler, MC
Champion, ND
Clare, JD
Collins, JM
Danby, M
Elliot, MJ
Feeney, D
Fitzgibbon, JA
Gray, G
Hall, JG (teller)
Husic, EN
King, CF
Macklin, JL
Marles, RD
Neumann, SK
O’Neil, CE
Parke, M
Pilberserk, TJ
Rishworth, AL
Ryan, JC (teller)
Snowdon, WE
Thistlethwaite, MJ
Vamvakinou, M
Wilkie, AD

NOES

Abbott, AJ
Andrews, KJ
Baldwin, RC
Bishop, BK
Briggs, JE
Broadbent, RE
Buchholz, S
Christensen, GR
Cobb, JK
Coulton, M (teller)
Entsch, WG
Frydenberg, JA
Gillespie, DA
Griggs, NL
Hastie, AW
Henderson, SM
Hogan, KJ
Hunt, GA
Irons, SJ
Joyce, BT
Laming, A
Laundy, C
Macfarlane, IE
Markus, LE

Alexander, JG
Andrews, KL
Billson, BF
Bishop, JI
Broad, AJ
Brough, MT
Chester, D
Ciobo, SM
Coleman, DB
Dutton, PC
Fletcher, PW
Gambaro, T
Goodenough, IR
Hartsuyker, L
Hawke, AG
Hendy, PW
Howarth, LR
Hutchinson, ER
Jensen, DG
Kelly, C
Landry, ML
Ley, SP
Marino, NB
Matheson, RG

CHAMBER
Question negatived.

Mr Turnbull: I ask that further questions be placed on the Notice Paper.

DOCUMENTS

Presentation

Mr PYNE (Sturt—Leader of the House, Minister for Industry and Innovation and Science) (15:24): Documents are presented as listed in the schedule circulated to honourable members. Details of the documents will be recorded in the Votes and Proceedings.

MATTERS OF PUBLIC IMPORTANCE

Economic Leadership

The SPEAKER (15:24): I have received a letter from the honourable member for McMahon proposing that a definite matter of public importance be submitted to the House for discussion, namely:

The Government's failure to provide the economic leadership it promised.

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

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

Mr BOWEN (McMahon) (15:25): Good economic management requires consistency and it requires competence. It was crystal clear in the question time which we just went through that this government and this Treasurer in particular are bereft of both. It has been crystal clear that we have a Treasurer who is just not good enough for the job. He is just not up to the job. It has taken six months for him to crash and burn. It has taken six months for him to be shown to be completely and utterly lacking in the skills required to be Treasurer of Australia. The Prime Minister must be wondering whether he can afford to hold onto a Treasurer so clearly not up to it, so clearly out of his depth.
There was hope that he would have been better than his predecessor. It was not a high bar. There was hope that we would see an improvement. We know that the now Treasurer wanted his predecessor. He went around making sure that people knew he would be so much better at the job, making sure that people knew he was available to serve, reluctantly, as Treasurer in a new administration, but we have seen him, as the Leader of the Opposition said, 'Shrink into the job'. We know that being the Treasurer is a hard job. We know that it can be hard for a new Treasurer in the early days, but normally a Treasurer grows into it. This Treasurer has shrunk into the job and is disappearing before us. But he cannot blame his predecessor, Joe Hockey, and he cannot blame Labor, all his errors are his own making.

I am going to do something that some would regard as unfair, some may regard as unparliamentary, but I am going to do it. I am going to quote the Treasurer. I feel obliged to remind the House of some of the things that the Treasurer has said. I know it is a devastating, tricky tactic to quote the Treasurer, but I think it is fair enough. When asked about bracket creep, his said:

Well, I do, —
care—

and I'm quite passionate about it, because I think that's one of the things that is holding the Australian economy back.

He said at another time, 'This is not something that gets people back to work, to save and invest.' The old 'work, save and invest' was trotted out as a reason to deal with bracket creep and to take decisive action. He was asked again about bracket creep and he said, 'It concerns me greatly.' It is known as bracket creep, but he called it 'inflation tax'. We now have the Treasurer consistently on the record saying that he would deal with bracket creep. He said that it was one of his key goals. When asked about bracket creep, he said, 'I've been making that point for five months.' His entire Treasury tenure has been devoted to dealing with bracket creep.

As we saw in question time, he did not even say that he would deliver small tax cuts. He said they would be delivering large tax cuts, then significant tax cuts and then big tax cuts and then very big tax cuts. Then we were told last week that they would be small tax cuts—a sandwich and a milkshake. Well, overnight the milkshake has evaporated and the sandwich has disappeared, because this Treasurer will deliver no tax cuts in his May budget. Not one tax cut will be delivered to Australian workers. He also said that if they did deliver tax cuts their priority would be to deliver them to workers, to people in the workforce, PAYE taxpayers. He said, 'That's where our focus will be. That's what we will deliver.' Now, apparently, we are moving to corporate tax cuts, not personal income tax cuts. This is a government and a Treasurer bereft of strategy and bereft of an idea.

In question time when the Treasurer was talking about big tax cuts he was going to fund them through an increase in the GST. We saw the Treasurer, reduced at question time, to complaining that the Labor Party had decided not to increase the GST before he got there. That was his big attack on the Labor Party. How dare we decide that we do not want an increase in GST before he had a chance to decide it. That was his big economic attack on the Labor Party because the Labor Party had actually thought this issue through and the Labor Party had said that increasing the GST will affect low- and middle-income earners the most and that an increased GST will not have a growth dividend. Then the Treasurer gave his great
oration, his 46 minutes at the National Press Club, and he said, 'I've thought about this. An increase in the GST will affect low- and middle-income earners the worst and it won't have a growth dividend.' This was the Treasurer's great economic revelation to the Australian people! And at question time he complained that the Labor Party had reached that view first. This is what the Treasurer has been reduced to.

Let us look at this Treasurer's track record. He said the GST would increase. Now we are told—we are told—it will not happen. He said there would be personal income tax cuts. That is not going to happen. He said they would never increase tax on superannuation. Well, that will happen in the budget. He said they would not increase the tax on tobacco. That will happen in the budget. He said they would deal with negative gearing excesses. That will not happen in the budget. Everything this Treasurer says will not happen does happen. Everything this Treasurer says will happen does not happen. This Treasurer is completely bereft of a strategy and completely bereft of ideas.

The Prime Minister said, 'This government has made one announcement after another.' He is right about that; it is just that they have been entirely contradictory from one day to another. We need a Treasurer with a plan and the competence to deliver it. Instead, we have a government so much at sixes and sevens they do not know what day the budget will be delivered. We were told there would be a white paper and a green paper. Then we were told there would be a tax statement. Then, when asked today if there would be a tax statement, the Minister for Communications said, 'Yes, there will be a tax statement before the budget.' Now we are told there will not be a tax statement. As we say on Twitter, YCMIU—you couldn't make it up. The government's economic approach is so bereft of ideas that they cannot even agree on what day the budget will be delivered.

We have a Treasurer who says there are excesses in negative gearing, but he will not do anything about it—or he cannot do anything about it. He says that bracket creep is a big problem, but he cannot do anything about that. This Treasurer has not seen a problem he can fix. He has not created a problem that he can fix. He has not outlined a problem that he can fix.

Then, after tax policy, we come to competition policy. We had the Harper review—a big, landmark review, we were told. It was going to make big, sweeping recommendations. It was released 12 months ago. Today, 12 months later, after a cabinet brawl last night, the government gets around to responding, and we see a view that the Treasurer does not support, the finance minister does not support, the Attorney-General does not support and the Assistant Treasurer does not support becoming government policy, because the Deputy Prime Minister supports it, apparently, as do others.

We have a Treasurer who could hold the Guinness world record for kite flying! He flies a kite and then he brings it back down to earth again. His ideas come crashing down because he does not think them through beforehand. He does not think through the implications of his thought bubbles, and as a result they cannot be implemented. We have a Treasurer who said that he would fix the problems that his predecessor could not fix. He was so much better than the member for North Sydney, he told his party room. He was so much better, he told people, because he could do the big reforms. He could drive through an increase in the GST. He could deliver the big, sweeping personal income tax cuts. He could do it, he told the Australian people.
No doubt he told the Prime Minister that, too, when their deal was done at that Canberra restaurant: 'I'll run for Prime Minister, you run for Treasurer. We'll split it up between us. You don't have to vote for me; just get your people to vote for me. It'll all be okay. Nobody'll notice.' The deal was done, and it was all going to be great. Malcolm and Scott could fix everything! Well, Malcolm and Scott have been unable to deliver a pizza! They have been unable to deliver anything on economic policy. They are not even able to deliver a budget on the day it is scheduled to be delivered without having a major debate.

Can you imagine the cabinet meetings? In a cabinet there are discussions about what should be in the budget and about what the policies should be. There is a contest of ideas. There are views expressed. In this cabinet, they get the calendar out to start their debate about economic policy! 'Do you think we should have the budget on 3 May or 10 May,' the big economic debate goes. 'When should we go to an election?' 'Let's go to an election early, because the longer we stay here the worse it gets,' the cabinet tells the Prime Minister. 'For goodness sake, let's rush to the people, because they're onto us. They've worked us out. We've got to go to an early election because we don't stand for anything, we can't deliver anything and we actually don't have a clue when it comes to our economy.' That is the debate that goes on in this cabinet — the Leader of the House saying to the Prime Minister, 'For goodness sake, call an early election, because the Australian people are working us out and the sooner we go to an election the better the chance we have of winning it. The longer we stay, the more our lack of policy will be exposed.'

We asked the Prime Minister today, 'What's your tax policy?' It was a tricky question, I know! He could not have seen it coming, I know! He flailed around. It took him a minute before he got onto Labor's tax policy. I say to the Prime Minister: you're welcome. We are happy to provide him with something to talk about, because if it were not for Labor leading the debate, he would have nothing to talk about. If it were not for Labor setting the economic agenda, he would have nothing to talk about. He would have no policy to talk about and without an agenda. Australia has an opposition setting the agenda. That is the difference we see in the Australian political landscape: an opposition setting the agenda and an opposition happy to fight an election whenever the government get around to it.

Mr HAWKE (Mitchell—Assistant Minister to the Treasurer) (15:35): I encourage the shadow Treasurer to take a breath occasionally, especially if he is going to criticise Barnaby Joyce so much, when he is working so hard to emulate him by turning a bright beetroot colour as he delivered that sermon about good government. If you are going to deliver a sermon about good government, I think you ought to come to the table with some experience in good government. I am happy to compare the credentials of this Treasurer with those of the shadow Treasurer. I am happy to go through it in detail.

Many people here today and many people listening will not remember all the depths that were plumbed by the previous Labor government, but we do. We remember everything. We remember every single policy failure of the Rudd-Gillard-Rudd government. Let us start with my favourites. At the top of the list—

Mr Irons: Ruddbank!

Mr HAWKE: Ruddbank? No, that is not top of the list—not Ruddbank. There was a special policy that the shadow Treasurer was going to bring in as soon as the Rudd
government were elected. Anyone remember? We were going to have a website where we would watch the price of groceries. The Australian public were going to log onto their computers and go to a website to watch the price of groceries—GroceryWatch. What a fantastic success! What an economic vision for this country! A website to watch groceries was the vision of the shadow Treasurer when he first came to office. But it did not stop there.

Ms Scott: What about Fuelwatch?

Mr HAWKE: 'What about Fuelwatch?' I hear from the backbench. The shadow Treasurer is pretending to ignore this. This is your record, Shadow Treasurer. What about Fuelwatch, a website you could log onto and watch fuel prices change? The private sector economy sorts out at these things much better than government. The private sector economy efficiently manages the prices of retail goods and the price of fuel every day. The problem with your government's policy of putting up websites to watch these prices was that nobody logged on and watched them. You wasted inordinate amounts of taxpayers' money creating websites that nobody logged onto and nobody used—it was a dumb idea from the beginning. It was a dumb idea that was never going to work. You were willing to waste millions of the dollars that you confiscated off hardworking Australians on a flight of fancy so that you could have a site where you could watch the price of groceries.

The DEPUTY SPEAKER (Hon. BC Scott): Order! Assistant Treasurer, you might desist from using the word 'you'. It is a common mistake in this chamber, and it is a reflection on the chair. I was reluctant to pull you up but I needed to draw it to your attention.

Mr HAWKE: I am always willing to be pulled up, Mr Deputy Speaker. It gets better, because your record continued in government, shadow Treasurer.

Mr Bowen: Mr Speaker—

Mr HAWKE: You will not escape this by looking to him for salvation. You cannot escape responsibility for your actions while you were in government. You were made the Minister for Immigration and Border Protection, you were made the minister for immigration, and the shadow Treasurer has the hide to come into this place and criticise the Treasurer, who was the minister who came to government with a competent plan to fix the border protection mess that you left behind. Your record is hundreds of boats arriving with thousands of people on them, thousands of people going into detention centres and dozens of new detention centres being opened, and of course that had a fiscal consequence. If the shadow Treasurer wants to talk records, let us talk records. When Labor left office there was a $1.2 billion shortfall in processing offshore asylum seekers. That is a lot of money. There were, of course, dozens of detention centres opened all around the country. There were detention centres in South Australia, there were detention centres in Tasmania—there were hundreds and hundreds and hundreds of children in detention.

Ms Chesters interjecting—

Mr HAWKE: The member for Bendigo might listen to this. There were hundreds and hundreds and hundreds of children in detention because of your incompetence, because of your deliberate government policy. You come in here and you say the Labor Party is ready to govern again—they have learnt the lessons of the past. Yet when you examine what the Labor Party is proposing to the Australian people at the next election, you can see clearly that they have not learned the lessons of failure. In fact, the shadow Treasurer has
turned up here today and wasted the time of this parliament, just like the Leader of the Opposition did in question time—he cut short time for questions to the executive, time for serious questions about serious policy, and turned the parliament into a form of vaudeville. That is what the shadow Treasurer just did. He did not have a genuine debate with us about any aspect of economic policy. He tried to compare his record with the record of an immigration minister who stopped the boats, fixed the budgetary impact of border protection and having thousands of people in detention, and went on to become Minister for Social Services. He delivered budget savings through a resistant Labor Party in the Senate—he delivered savings in the human services portfolio through a reckless opposition. We know the shadow Treasurer's approach to revenue.

As we approach this election we can look at what Labor has done in opposition; what has been their approach to economic policy. Have they looked responsibly at measures and helped the government deal with the mess they left behind—the debt they left behind, the deficit they left behind? No. From day one they have been committed to wrecking the parliament, they have been committed to damaging the budget and doing as much damage as possible. When you take those decisions, it has consequences. There have been real consequences for the management of our economy and real challenges for the management of our society. They do not understand that the worse they make this problem and the worse they make the budget deficit and debt by blocking responsible savings measures in this parliament, the worse it will be for every government in the future. Labor have blocked $59.5 billion in savings. They have created a budget hole with their own proposals—they have new taxes of $7 billion, they have proposals of $1.13 billion in savings. That is it—that is the heavy lifting they have done to save money. There is $7.05 billion in increased taxes and $1.13 billion in savings. That leaves a new budget black hole of $51.32 billion.

It is great to see the member for Lilley here—he would regard a budget black hole of $51.32 billion as a success—that is not too bad for a former Labor Treasurer sitting in the chamber listening to this. But it is a horrific result when you think about the drop in commodity prices and the terms of trade and the end of the mining investment phase. It underscores what the Prime Minister and the Treasurer talk about every day—the Australian economy has to make that transition out of the mining investment phase. We recognise that we are in a different world and that the global economy is continuing to recover. When you listen carefully to what the government is talking about, when you listen carefully to what the Prime Minister or the Treasurer speak about every single day, they are talking about the new economy, they are talking about innovation. They are not just talking about innovation—it is not just a catchphrase; it is not just something we say—but they have backed that up with changes and proposals in the economic space that the Labor Party cannot even begin to understand. The Prime Minister speaks passionately about crowd source equity funding and he understands we have to have laws to improve that situation. He understands that the venture capital market in Australia is too small and that we need more venture capital. He understands that you have to have the right incentives in the tax system to create a climate of investment where people are willing to invest—not just the big investors, not just the institutional funds but your everyday mums and dads, your everyday small family businesses, your everyday medium businesses, your everyday large businesses of great Aussie companies that have been small businesses and grown. If you do not have the settings right, if you are not talking to them about the things that matter to them, about how they can invest, how they can...
save, how they can work harder for our economy, you do not have a plan. That is why the Treasurer and the Prime Minister talk about these things every day. That is why our proposals are coming forward. That is why we have capital gains tax proposals coming into this place, to provide incentives for investment—never mind that we oppose strongly the Labor Party's plan.

We are opposed to Labor's plan for this very important reason: we understand that their plan in relation to negative gearing represents a fundamental misunderstanding of the tax code and the operation of gearing in this country—a fundamental misunderstanding of the incentive it provides for ordinary people to invest and take risk, ensuring that we have a climate where people are prepared to take risk and invest in new enterprises. That is why we are here arguing passionately every day for innovation, for the new economy, for the parliament modernising government service delivery so we can ensure we are providing the jobs of the 21st century. It is not enough to come to this place and turn it into vaudeville; it is not enough to come in here and pretend that you did not have a track record of six years of failure, which really delivered the worst period of governance in our country's history. Regardless of which side of politics you are on, that is an objective description, as anyone would find. It is this government which is looking forward to the new jobs for a new, innovative and agile economy. We have the plans and you will see those plans in the budget. We are going to back ourselves and back Australians' abilities every single day.

Dr Leigh (Fraser) (15:45): Seven hundred and sixty thousand Australians are unemployed across the country, but, sadly, the Treasurer is not among them. We are moving an MPI today on the lack of economic leadership, and you have just heard exactly why we need to move that MPI from the member for Mitchell, who spent 10 minutes at the dispatch box without giving us one positive economic idea.

Watching the Treasurer roll out his constant scare campaigns and ideas is a bit like watching Wile E Coyote constantly chasing around with his ACME bag of tricks. He decided he would go after Labor on our positive plan to boost housing affordability by reining in the excesses of negative gearing. He went after us using a consultant's report, which promptly blew up in his face, when the consultants said they had not actually modelled Labor's policy. When he took the job, he said that the GST would be one of his priorities—he said raising the GST to 15 per cent was important because the GST was an efficient tax. Then, after cabinet rolled him, we suddenly had the humiliating spectacle of the Treasurer at the Press Club admitting that the GST was not that efficient after all.

Who knew that, apart from just about every Australian? It is like that moment when Wile E Coyote dons the lycra wings and goes after the Road Runner over the cliff and keeps flapping down to the ground. When he says there are 'excesses' in negative gearing on Sunrise, he is unable to come into this House to say what those excesses are. According to the government, Labor's negative gearing plan is going to send house prices up or maybe send them down. It will make inequality worse or maybe it will make inequality better. It is like the moment when Wile E Coyote sets up a little seesaw on the edge of the cliff, thinking he will drop a rock on it and send it flying into the air, but instead it goes plummeting down to the ground.

When Labor introduced our positive plan to reduce smoking and to add to the budget bottom line through dealing with tobacco excise, the government made it crystal clear that they were against increasing the tobacco excise. Now, like Wile E Coyote with the fireworks
inside the barrel, they have decided that they are going to adopt part or maybe all of Labor's
tobacco excise plans. When it came to income tax cuts, the Treasurer told 2GB that:
If we make any changes in tax it will be to deliver lower taxes in other areas particularly for those who
are working hard and out there earning a living.
But yesterday he had to retreat with a slightly confused answer at a conference and then he
had to send his press secretaries around the gallery to say, 'He really did rule out income
taxes.' Again like Wile E Coyote putting TNT on the bottom of the bridge, he was sending
himself down onto the ground.

When he was on Sky News, the Treasurer said:
The government has made it crystal clear that we have no interest in increasing taxes on superannuation
either now or in the future.
But another one bites the dust, when we see the government is considering in its ACME bag
of tricks returning to make changes to superannuation.

On multinational tax it is like the ACME tornado seeds. The Prime Minister says that we
voted against their multinational tax plan. The fact is that we voted against their dodge deal
with the Greens. We supported their tax plan, even though it had asterisks where the revenue
estimates were meant to be, but we called on them to go further and put in place serious
multinational tax plans, like the one prepared by the member for Lilley and his Assistant
Treasurer, David Bradbury. Labor’s $7.2 billion multinational tax plan would raise real
revenue and take serious action on multinational profit shifting.

Today we have had the Leader of the National Party rolling the Attorney-General, the
Foreign Minister, the Prime Minister and the Minister for Finance on the issue of the effects
test. We have had the Deputy Prime Minister out today saying that he believes the price of
milk is too cheap and it should go up. We are not sure of the price it should go up to but he
did nominate $11. So apparently $11 a litre is what the Deputy Prime Minister thinks
Australians should be paying for their milk. That concern is reflected by people like Richard
Goyder of Wesfarmers, who has talked about the risk of an effects test to capital investment.
We have capex at a 25-year low and this mob opposite thinks that it is alright to jeopardise
capital investment. They will be driving up prices and driving down capital investment.
Economic leadership is as far away as it has ever been.

Mr WHITELEY (Braddon—Government Whip) (15:50): It is quite interesting to have an
MPI where the first two speakers from the other side would probably fit into the category of
best over-actors in the parliament. That would be the first characteristic I would describe them
by; the second would be that they have the worst credibility and worst track record when it
comes to economic leadership. What do we have?—one, two, three, four, five, six, seven
members from the entire Labor Party in this place have turned up for what they have
described as the most important and strategic debate in this parliament. Who do we have? We
have the former Treasurer, who promised surpluses every day of the week but did not deliver
one. The only thing he can deliver on is the best tan in the parliament. Then we have a tired
front bench that is really just back in the same old corral, talking the same old talking points.

Those listening in the gallery and elsewhere would understand this—it is pretty
straightforward—that the party over there, which wants to talk about economic leadership,
left this country in financial ruin. Every day you wake up to find the government has to spend
$100 million more than we earn because we are trying to clean up the mess that those opposite left. Every month we spend $1 billion to pay the interest on the bill they left after John Howard and Peter Costello left with money in the bank. How many times can a member of parliament stand here and tell the Australian people about the track record of those opposite?

They would have you believe that they have changed their spots. Let me tell you: they are still the tired, old, socialist, spending lot that we knew from the six years of the Rudd-Gillard-Rudd government. Let no-one fool you: these are the people who have no control, no discipline when it comes to spending.

Economic leadership is the topic of the MPI today. Economic leadership is many things, but, fundamentally, it means two things: do not spend more than you earn; and create the environment and the conditions that deliver the confidence and policies that business—small business in particular—needs to not just survive but thrive. They would be my two descriptors of what good economic leadership is. This is what this government is about. It is about trying not to spend more than we earn, but that is an impossible task at the moment because of what we had been left with by those opposite.

Anybody in this country would know that these people opposite, the Labor Party of Australia, were nothing short of economic vandals. We have spent the last 2½ years trying to clean up the mess that they left, but they have refused to be part of the solution. They have just wanted to stand up and make everyone try and think that the six years between 2007 and 2013 never existed—they just disappeared. It was a dream—

Ms Price: It was a nightmare.

Mr WHITELEY: It was actually a nightmare—I take the point.

What we have in front of us today is quite stark really. We have a party of there that wants to be in executive government once again. God forbid that from ever happening. They already have a black hole of $51 billion over the forward estimates. If you add to that them playing around with the old NBN and trying to scare people all over Australia—the cost to bring out fibre to the premise would been another $75-85 billion—what we are talking about here is the potential to add another $1 billion of interest a year to the bill that we have to pay. These people opposite know no bounds when it comes to making promises—false promises—about what they would deliver as a government.

I want to remind those listening today: do not forget for one millisecond the financial ruin that the Australian Labor Party, at the behest of the Australian union movement, left this country in. That is the fact. They took a very solid foundation of financial management from the Howard-Costello years, where the last surplus was over $20 billion—money in the bank—and what did they do? They trashed it. They absolutely trashed it. They could not control their spending. They still cannot. They are the same tired frontbench from the previous government days. Until such time as the personnel opposite are taken from the seats that they have found so comfortable and are replaced with some people with a degree of intelligence and commonsense, they have no story to tell.

Mr HUSIC (Chifley) (15:55): If there is one thing that is clear it is this: the member for Lilley got us through the GFC. You could not even get a Treasurer through one term of parliament. That man over there saved the jobs of Australians, and you got rid of the job of
the member for Warringah. If we are going to compare our time in government to what you
guys have done, when you look at economic leadership it is not that ScoMo is on a go slow,
ScoMo is on a no show. He is nowhere near being able to make one decision that sticks—one
decision in his time. He made out that he was the great white hope of that side there, and the
only thing he has been good at has been retreat. If you need to put up a surrender flag, then
Scott Morrison, the Treasurer, is your man.

The Treasurer was asked a question today about micro-economic reform. Every reform that
he does is micro. He has not got a single thing through that he has been able to put up. Let us
go through it. He argued for GST reform. Where has that gone? Nowhere. They argued about
multinational tax reform. Where has that gone? Nowhere. They argued, potentially, about
changing negative gearing. That has gone. They said they would not touch superannuation.
Well, that promise has gone as well. And what has happened today? On the thing that he
spoke so passionately about, the need for us to address income tax and bracket creep, here are
the quotes from the Treasurer:

I'm quite passionate about it, because I think that's one of the things that is holding the Australian
economy back.

He said that on 24 January. One month ago, the Treasurer said:

If we are going to do anything in that area it has to be to give people who are going out there and
working and earning for a living a better deal on their income tax.

These were the things that he felt strongly about. Where are we at? Nowhere; gone; stopped.
In their own cabinet, when it came to a showdown with the Treasurer, who is supposed to be
one of the most influential policymakers in a cabinet, what happened? In the showdown in
terms of brawn v brains, brawn won, with the Deputy Prime Minister—The Nationals—
dictating economic policy in this country, wagging the tail on the way that things are to be
run. It is an absolute meltdown.

The other thing worth noting is this: whenever the Prime Minister is in trouble, there is that
tell. Whenever you are asking him to step forward and say what his the agenda is, there is
only one thing he can do. It is just like with the member for Warringah. Every time the
member for Warringah was in trouble, there was a national security announceable—every
single time. The similar thing for the Prime Minister is this: every time you ask what he has
done, it is only about innovation policy. That is it. That is the only string in the bow. 'I'm pro
innovation; I'm pro seeing this happen.' But you cannot say that is the only lever you have in
running an economy as big as this and having a policy agenda for this government. That is all
he has. Every time he is in trouble, watch it: he goes straight to innovation policy.

When asked today what else he could do, the Prime Minister on the test of economic
leadership said, 'We've made commitments.' Well, that is nice to know! He has made
commitments. These commitments are backed up by a person who, when asked to make a
commitment on the republic, goes to water. When he is asked to make a commitment on
climate change, he goes to water. When he is asked to make a commitment on marriage
equality, he goes to water. All of his promises, all of his commitments are written in sand.
That is all they are worth. This is economic leadership under the team of the Prime Minister
and the Treasurer who said that that was what they were bringing to the job. And here are the
things that we have to deal with: the deficit that they said they control is out of control;
growth is nowhere near where it should be; wages are the flattest they have been in a long
time. These are the things that should be going much better and are not. What does it mean, member for Mitchell? This is the person who has been sent in on economic leadership. They do not send in the Assistant Treasurer. They certainly do not send the Treasurer; he cannot argue about economic leadership. All they have is the member for Mitchell. There is no other member of the frontbench who is able to argue about economic leadership. This tells you everything. When it comes to being able to provide what is needed for the economy, the only people that have the ideas are on this side of the chamber. All they can do on that side is attack the ideas, because their cupboard is bare. This is embarrassing. But, importantly, it is holding back the nation—and this should not continue. (Time expired)

Mr RAMSEY (Grey) (16:00): It is a sobering moment when you hear the member for Chifley speaking about ideas. We have had enough of your ideas, mate. You led Australia down a path from great economic success to the point where we are still struggling to deal with the deficit that your team left us. It should not be forgotten. You come into this chamber and talk about lack of economic leadership when it was your party's faulty leadership that put us in such a perilous state. This government has to deal with it, and we are doing it in a methodical way.

One of the things I believe we should always consider—and it is an underlying tenet—is that government should do no harm. We should carefully consider all of the options that come before us in this place. One of the things we should always understand, and the first commitment we should make to the Australian people, is that we will do no harm. The performance by the Labor Party when they were in government—and since, with some of the proposals or ideas they are putting up around their plans for economic reforms—did exactly that. They caused Australia absolute harm in the past with some of those decisions around the live sheep ban and around things like the mining tax. We remember very well the member for Lilley and the mining tax. These were economically foolhardy policies which led us to a bad place in Australia—and we are still dealing with the issues that were created under their watch.

At the moment we do have a government that is looking at and considering all the options. Only today the Treasurer announced that we are getting rid of section 46 of the Trade Practices Act. This is something that has been hanging around our economy for about 15 years now, and both sides of parliament have known that this needed reform. The man they like to disown now, Mark Latham, raised the issue of section 46 in his book.

Mr Perrett: Never heard of him!

Mr RAMSEY: Now they say they have never heard of him. You wanted the Australian public to have him for Prime Minister. That was another one of your good ideas. You want to put aside Mark Latham now, but Kim Beazley—and he is a man that you should be proud of you—also said that this is something that should be reformed. So after this has been hanging around in a kitbag for 15 years this government has had the gumption to stand up and do something about it. We should be proud of that. That is economic leadership.

The last budget was based around assisting small enterprises and businesses to get ahead in Australia. We know on this side of the House that if we want Australia to succeed what we need to do is stimulate small business, because they are the backbone of this economy. So we moved to assist them by giving them the $20,000 write-off for capital expenditure.
Today we are dealing with a creation of the now Leader of the Opposition from Fair Work Australia, which is the Road Safety Remuneration Tribunal. Its intent seems to be to wipe out owner-operator truck drivers in Australia—and we need to get our heads around this—by setting rates for owner-operators such that it is more expensive for them to drive their own trucks than it is to put a driver in their truck. What possible reasoning can we have for this except that they do not like small business? They want big business to employ lots of drivers so that they can unionise the workforce and so that those big businesses can deduct those union fees and send them to their mates in the TWU.

*Mr Swan interjecting—*

**The DEPUTY SPEAKER (Mr Goodenough):** Order! The member for Lilley!

**Mr RAMSEY:** That is what they call economic leadership. It is a disgrace for them to come into this chamber and talk about this side of government lacking leadership. If it is leadership like that, Australia does not need it. *(Time expired)*

**Mr SWAN (Lilley) (16:05):** This Liberal government is 921 days old, and they have replaced someone who would say anything and do anything to be PM with someone who will say anything and do anything to be PM. We are now seeing the latest manifestation of that: the Turnbull-Di Natale government. This is the latest innovation. It is no wonder that people are confused. Do you know why people are confused about what they are doing on the budget and economic policy? They just keep telling us why they are confused. It happens on a daily basis. We know it is a budget, because they told us so. Watching the Treasurer in the House today was extraordinary. He did not know whether he was driving a car; he did not know whether he was driving a house, or whether he was driving a budget. It was truly pathetic to watch. But there is one question I have, as I sit here, that keeps coming back to me time and time again.

*Mr Pasin interjecting—*

**The DEPUTY SPEAKER:** Order! The member for Barker!

**Mr SWAN:** I cannot help thinking that the Liberal caucus must surely be sitting over there saying, 'We better get Joe back.' This bloke is going so badly that they are talking about getting Joe back. How do I know they are talking about getting Joe back? I have been watching his social media activity from Washington, and he certainly thinks he might be a shot again at some time in the future. But you really know it when you have a government that is out of control. They would certainly be announcing and contradicting themselves every couple of days, generally. But with this government, you have seen that refined. You get a change of policy at morning tea and you get a change of policy at afternoon tea. You really have to give it to them, because they are absolutely consistent. To the extent to which they are running around crashing into each other, it is like continuous replays of *The Three Stooges.* That is actually what this government is beginning to look like.

Of course, there is also their behaviour in the Senate. They planned to have a double-dissolution election, except they did not plan how to do it. Now we have to go through the excruciating process of trying to understand what the hell they are doing. We have a Prime Minister who has bitten off more than he can chew, and we have a Treasurer who is still trying to get his teeth into it. That is exactly what we have. No wonder people are confused about what this government is up to.
There is something that you should not do. When you are the Treasurer of Australia, doing a budget is a really serious task; it is really big and complex. There is a reason it takes five or six months. The 2013-14 budget was a serious piece of work. Whatever you say about it politically, technically it was really difficult. If you look at the 2013-14 budget and compare it with the 2014-15 budget, the first budget of this government, the 2014-15 budget is half the size. Do you want to know why it blew up? Do you want to know why the politics turned bad? Do you want to know why the policy turned bad? It was because it was rushed. It did not work, it is still not finished and it is a time bomb sitting under this Liberal government.

They are now talking about changing the timing again. Do that at your risk, politically and economically. The fact is the Treasury cannot verify the integrity of numbers when you start chopping and changing. The Liberals have started chopping and changing the parameters and making decisions late, which is what happened last time. In the 2014-15 budget, they wheeled decisions into cabinet on the Friday and every single one of them blew up. They were not properly costed and they were not properly accounted for in those budget papers. That is what those opposite are doing now. Australians have no faith in the way in which this process is being handled. It is no wonder, therefore, that the government want an early election. They simply have not got anything to say or do, and they ought to get to the polls as quickly as possible.

But the most stunning thing about this Treasurer is that, when he went to the Press Club a few weeks ago, he admitted that savings of $80 billion had been matched with spending of $70-odd billion. This is a tragedy for the country. We hear about the parameters. Those on that side of the House have quadrupled our budget deficit. It is four times bigger than it was in PEFO. We are proud of our record: our job-creating record, our AAA credit rating, the fact we avoided a recession and the fact that we came through a mining boom in good shape. All of that has been put at risk by the instability, chaos and dysfunction on that side of the House. Consumer confidence is down 10 per cent since the election. That is the result of the chaos and dysfunction in the Liberal government. (Time expired)

Mr IRONS (Swan) (16:10): It is a pleasure to rise to talk on this MPI. I see the other side of the House waving at me, which is great! It is always good to follow the member for Lilley, my namesake; he does occasionally get called the member for Swan.

Without using any cartoon analogies, I might use some sporting analogies to talk about one of the things we have learned over the years. It just happens that a quote from the member for Fraser is:

The big challenge for the ALP will be convincing the electorate that it can run the economy almost as well as the Coalition. “Almost”, because the belief that right-wing parties are better economic managers is so pervasive in developed democracies that few can hope to topple it from opposition.

That might be a perception that the member for Fraser has, but there is a reason that he has picked that up, and the reason is that it is true. It is a fact that the conservative governments in Australia have proven, time and time again, to be better operators of the economy.

One of the things I also learned from sport is that, when you go into a grand final, you try to pick a weakness in someone's team—their team strategy, their team plan or a weak player on their side—and you do not play to their strengths. If we are going to have an economic leadership debate or an economic credibility debate in this chamber, we would welcome it
every time. This side will welcome it because the Labor Party has no economic credibility. They spent six years proving to the Australian people why they have no economic credibility.

I remember seeing the Treasurer before the previous Treasurer, the member for Lilley, sitting where the member for Bendigo is now sitting. He stood up proudly with his budget papers—he has just held up ours, but he held up his—and said: 'Tonight, we deliver four surpluses. This is the start of four surpluses.' Well, I have not seen any of them. Maybe the member for Fraser, who puts himself very high on the economic ratings, can tell us where those four surpluses are, where they disappeared to, where they have gone, where they were delivered or if they are ever going to be delivered. I think 1989 was the last time Labor delivered a surplus. So, when they talk about economic credibility, we will have that conversation every time. The Assistant Minister to the Treasurer raised some points about the previous Treasurer, who said at the time that he did not want to raise some things in this parliament because he thought they might be perceived as unparliamentary. But I will raise some of the things that the previous Treasurer said. One of the things he said to Fran Kelly back on 13 May 2010 was:

… the Government has returned the Budget to surplus three years ahead of schedule and ahead of any other major advanced economy …

Can anyone in this place remember those statements being made? Can we remember them? We are still waiting, member for Fraser. We are still waiting for those deliveries from the opposition, who now claim to be economic geniuses and giants, after leaving the Australian economy an absolute wreck and disaster. The previous Treasurer, the member for McMahon, Mr Chris Bowen, in his address to the Investment and Financial Services Association at the postbudget breakfast on 12 May 2010, said:

The Budget is now projected to return to surplus in 2012-13—three years ahead of schedule. This will make us the first advanced economy in the world to return to surplus.

He also said:

By the middle of 2013, our budget will be back in surplus—three years ahead of schedule. We also have the lowest debt and deficit of any major advanced economy.

Well, they have to remember that when they came into power they did not have any debt. And they took us into that position on the excuse of a GFC. First we heard about the Rudd bank, then we heard about GroceryWatch and then we heard about Fuelwatch. How successful were all of those for him? Giants! Geniuses! Fantastic economic programs!

What about when the mining tax was negotiated between Xstrata, Rio Tinto and BHP? They would have had some economic geniuses in their room. And guess who we sent in to negotiate with them on a mining tax? The Treasurer! The Treasurer went in to negotiate with Xstrata and BHP. And what did he deliver? He delivered a 10-year write-off for a re-evaluation of their assets and a 10-year write-off to get them to sign to an agreement for the mining tax—an anti-WA policy and an anti-Australia policy. And what did that mining tax actually deliver? Nothing! It delivered nothing to the budget. It delivered nothing to the Treasury. And this is what will happen if this opposition gets voted in again: they will deliver nothing. And they have got no economic credibility.

Ms CHESTERS (Bendigo) (16:15): I have to say that today feels like Groundhog Day. Maybe those on the government benches have been asleep for 900 days, but it has been a very long time since Labor has been in government. You are now in government. And what have
you failed to do? You are still stuck in the past, talking about what Labor did in government. How inept are you that you have got nothing to talk about?

The whole point of being in government is to reform. The whole point of being in government is to put forward an economic plan. And you have failed. We are 900 days on and we are in Groundhog Day again. You are repeating the same arguments over and over again. And it is pathetic. When are you going to grow up and be an actual government and put forward a plan that can be debated?

What we have seen in this debate is a bit of a joke. We have had people talking about asylum seeker policy. The debate is on economic policy; we have heard people talking about asylum seeker policy. I will tell you what the problem is with this government's asylum seeker policy: it is the price tag! When are you going to talk to the Australian people about the billions of dollars that you are spending on asylum seeker policy? We have also had brought up in this debate the good old-fashioned live cattle export—again. You forget that Labor fixed that issue when we were in government. And then we heard about the Road Safety Remuneration Tribunal, which is all about ensuring that we have safe roads, and ensuring that truck drivers, including truck owner-drivers, get fair rates of pay.

This is the problem with this government and the government backbenchers: they will talk about anything but economic policy. It is extraordinary. This is economics, which is supposed to be the Liberal Party's nirvana. This is supposed to be your Holy Grail and what you are good at talking about. We cannot trust you on workers' rights. You would not know a worker if you fell over one. We cannot trust you on environment policy. You would not know what to do about the environment—you are all climate change deniers. We cannot trust you on any social policy or housing policy. Their Holy Grail is supposed to be economic management, but what we have seen from this government and its members is a failure—a failure to put forward an economic policy plan.

They changed their leader in the hope that that might bring about a policy change. Another failure! It does not matter who your Prime Minister is, who your Treasurer is or who your frontbenchers are, you have still failed to put forward a plan—a plan for the economy and a plan for the Australian people.

As a result of that failure, as a result of the flip-flopping, and as a result of the hokey-pokey—one foot in, one foot out; one policy in, one policy out; you have backed down to backflip—we have seen a collapse in confidence in the Australian economy. We have seen negative wage growth. We have seen workers and their families go backwards because of this government and their failure to have a plan. In fact, ever since this government got elected, 760 people are now unemployed across Australia as a result of this government's failure. We on this side know that if you want good jobs and good job security, you need strong industry, and to have strong industry you need a government with an economic plan. And this government has failed.

They are too busy talking about the past. It is Groundhog Day, over and over and over again. And Australians do not have time for it, and, quite frankly, they are sick of it and bored with it. And they thought that if they dumped their entire team and brought the reserve team in, they might have a better shot at a decent plan. But you have failed. The government and the Liberals and the Nationals have failed again. They have failed to put forward a plan in an
area which people think should just be their heartland—economic policy—and again the government has failed.

They are not willing to stand up and do the hard reforms that are needed in our economy when it comes to tax reform. They will not debate tax reform in a fair way. Instead, all they do is to try to run another scare campaign. It appears the only thing that the modern Liberals can do is to run scare campaigns. They will not actually confront issues and debate them head-on. We live in a pretty topsy-turvy world when it is the opposition that is leading the policy debate and not the government. Perhaps you need to sit back on this side because then you will feel a bit more comfortable about the scare campaign that you are running. This country needs a government that will lead on the hard issues of economic and policy reform, and this government has failed. *(Time expired)*

**Mr CRAIG KELLY** (Hughes) (16:20): What a fantastic pleasure it is to follow the member for Bendigo and also the member for Lilley! The member for Lilley said, 'It keeps coming back to me.' It certainly does! I remember, several years ago in this very same chamber, that we had the member for Lilley standing at that dispatch box and telling us about the four years of surpluses he announced that night.

Dr Leigh interjecting—

**Mr CRAIG KELLY:** That was your work, was it also, the member for Fraser, down there at the dispatch box squawking like a duck? He said, 'This budget delivers for the coming year, on time, on promised surpluses year-on-year, strengthening.' That is what keeps coming back to the public of Australia.

The member for Lilley and also the member for Bendigo went on about Labor's great job-creation record. So let us just have a look at that quickly for a minute. In the 2013-14 year, in that entire 12 months, only 7,200 new jobs were created in the economy. And you know what? There was a loss of 90,000 full-time jobs. Full-time jobs went backwards. We were only able to get that small 7,200 job increase because we had a transfer of jobs from full-time people going into part-time employment.

Let's have a look at the coalition's record over the last 12 months. There were 298,300 new jobs created in this economy.

Dr Leigh: What about the effects test?

**Mr CRAIG KELLY:** I am sure the member for Fraser, sitting at the table, does not want to hear that this coalition government has created 300,000 new jobs in the economy in the last 12 months. As we know, economic growth in the last 12 months has been three per cent. It exceeds any G7 nation. We are leading the world. The economy is heading in the right direction.

The dangers are what we hear from this Labor government. We also need to remember how hamstrung the coalition has been in creating those 300,000 new jobs and getting that level of growth above the G7 nations. You know what? This government has to find $13 billion, every year, just to pay the interest on the debt that you guys ran up. Every month, we have to pay a bill of $1 billion in interest—because of your waste and reckless spending. That money could have gone to schools, to education, to kids with disabilities, to roads and to hospitals. We cannot use that.
It all has to go to paying interest on the debt from Labor's reckless spending. Yet we have this good record so far. What should really concern every single Australian is that if this Labor government were ever in power they would simply give more power to their union masters. We saw the story today about their mates in the ACT Labor government doing a secret deal.

**Dr Leigh:** Let's hear about the effects test.

**Mr CRAIG KELLY:** I am sure you will speak against this, member for Fraser. I will be very interested in your opinion about this secret deal that was done to give unions the right to veto tenders. What a disgrace! We have seen exactly the same thing with the decision by Labor to create a road safety tribunal. It has nothing to do with road safety—nothing whatsoever.

They have put a burden on independent owner-truck drivers, people who are the salt of this earth, who simply want the economic freedom to be independent and work for themselves. When this Labor government was in government it put these people at a competitive disadvantage that would force them out of business or force them into unionised employment. That is a disgrace! To use the excuse of road safety is offensive. This coalition government has a good record. We have things on track. The real danger to this country, should these people ever get back into government— *(Time expired)*

**The DEPUTY SPEAKER (Mr Goodenough):** It being 4.25 pm the discussion has concluded.

**COMMITTEES**

Public Works Committee

**Report**


Report made a parliamentary paper in accordance with standing order 39(e).

**Mr PERRETT:** by leave—I know, Deputy Speaker Goodenough, you fully appreciate the important work the Parliamentary Standing Committee on Public Works does, because you are a member of that committee. The report outlines the committee's activities for last year.

2015 was a busy and productive year. The committee held more meetings and processed more referrals in 2015 than in any of the preceding five years.

In 2015, the committee reported on 22 works, with a combined cost of $3.1 billion. Eleven of these were for the Department of Defence, totalling approximately $2.7 billion. During 2015 the committee had 44 meetings, including inspections and public hearings right across the country.

During the year the committee also reviewed 40 medium works notifications. Medium works are projects with an estimated cost of between $2 million and $15 million. The committee approved 37 medium works, with a combined cost of $235.3 million. Of the remaining three medium works, one was withdrawn and two were combined and referred to the committee for full inquiry.

In July 2015 the committee wrote to all agencies that had made referrals since 2010 reminding them, very clearly, of the requirement to provide post-implementation reports...
when a project has been completed. As a result, the committee received 18 post-implementation reports and several status updates for projects that are still in the delivery phase.

The committee strongly supports the requirement for post-implementation reporting. Not only does it support improved accountability and transparency, but there are real benefits to be gained by the agencies critically assessing their own project outcomes against key objectives such as timeliness and cost. For these reasons, the committee will continue to put great emphasis on findings noted in post-implementation reports. Departmental heads might note this well. I know the chair, Senator Dean Smith, is particularly passionate about these post-implementation reports.

At various times during the year the committee considered operational matters. These include a review of the monetary threshold for referral and possible amendments to the Public Works Committee Act. The Department of Finance is currently reviewing these matters and the committee expects to be consulted on proposed changes in due course. The committee recognises the importance of reviewing aspects of this operation from time to time to ensure its practices continue to be consistent with the Commonwealth's property management framework and the broader construction environment. However, such considerations are made in a context that supports the fundamental principle of parliamentary scrutiny. I say that clearly, as the deputy chair, to every Commonwealth agency, whether they be onshore or offshore.

In concluding, I would like to thank all who have assisted the committee in its work during 2015 and I commend this report to the House.

Human Rights Committee

Report

Mr RUDDOCK (Berowra) (16:29): On behalf of the Joint Committee on Human Rights I present the following reports: the Human Rights scrutiny report, Thirty-sixth report of the 44th Parliament, and an inquiry report, 2016 Review of Stronger Futures measures.

Report made a parliamentary paper in accordance with standing order 39(e).

Mr RUDDOCK: I seek leave of the House to make a short statement in connection with these two reports.

Mr Perrett: Leave is granted.

Mr Fitzgibbon: Reluctantly!

Mr RUDDOCK: Reluctant, but I will endeavour to do justice to the topic!

I rise to speak to the tabling of the Parliamentary Joint Committee on Human Rights' Thirty-sixth report of the 44th Parliament.

The committee's report examines the compatibility of bills and legislative instruments with Australia's human rights obligations. This report considers bills introduced into the parliament from 25 February to 3 March 2016 and legislative instruments received from 5 to 25 February 2016. The report also includes the committee's consideration of seven responses to matters raised in previous reports.

Thirteen new bills are assessed as not raising human rights concerns and the committee will seek a response from the legislation proponents in relation to two bills and two
regulations, as well as a further response on one legislative instrument. The committee has
also concluded its examination of six bills and one regulation.

By way of example, this report concludes consideration of the Australian Citizenship
Amendment (Allegiance to Australia) Bill 2015—a difficult matter for the committee to deal
with. The bill amends the Citizenship Act to expand the existing grounds on which a dual
citizen's Australian citizenship will cease. Now, a dual citizen over 14 years of age who
engages in terrorist activities with the intention of coercing, influencing or intimidating
the government or the public will find their citizenship automatically having ceased. Additionally, a dual citizen's Australian citizenship may be revoked if the person is convicted
of a specified offence and the minister is satisfied that it would be in the public interest and
that the conviction demonstrates a repudiation of allegiance to Australia.

The committee recognises the importance of ensuring that national security and law
enforcement agencies have the necessary powers to protect the security—and, I might say, the
right to life—of all Australians. Moreover, the committee recognises the specific importance
of protecting Australians from terrorism and individuals who have engaged in terrorist
conduct. The Australian government and the parliament have the responsibility to ensure that
laws and operational frameworks support the protection of life and security of the person.
Additionally, Australia has specific international obligations to detect, arrest and punish
terrorists.

Human rights principles and norms are not inherently opposed to national security
objectives or outcomes. Rather, international human rights law allows for the balancing of
human rights considerations with responses to national security concerns.

Legal advice—and I might say sometimes it is very proscriptive—to this committee
indicates that a number of the measures are said to be incompatible as measured against the
standards of international human rights law, and that the revised statement of compatibility
does not provide sufficient evidence to demonstrate that these measures are compatible with
human rights.

However, and I might say that some lawyers are amongst this group, notwithstanding this
advice, some committee members remain of the view that the deprivation of citizenship of
those who endanger the security of Australians is desirable as a matter of policy, and that this
measure will help to ensure that Australians are kept safe from terrorism and individuals who
have engaged in terrorist conduct.

It is to be remembered that the Parliamentary Joint Committee on Human Rights is a
scrutiny committee that undertakes a technical examination of bills and legislative
instruments with reference to the content of seven international human rights law treaties that
Australia has voluntarily accepted. It does not assess the broader merits of, or community
support for, particular measures, but nevertheless these matters are often, as they are here, of
fundamental importance.

**Stronger Futures**

I want to also speak about the future measures report. In tabling this joint committee report,
we have the review of the Stronger Futures legislation. In broad terms, the measures in this
legislation are directed at improving certain social outcomes in Indigenous communities of
the Northern Territory.

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**CHAMBER**
This report follows the committee's 2013 inquiry into the human rights compatibility of the Stronger Futures legislation. In that report the committee made a number of findings, and determined that it would undertake a subsequent review to evaluate the continuing necessity of the measures. Accordingly, the report I table today examines the latest evidence as to the effectiveness of key aspects of the Stronger Futures measures, and makes a number of recommendations that flow from that evidence.

Significantly, the report finds that a number of measures, including those concerning food security and land reform, promote important human rights.

However, the evidence before the committee also suggested that some of the measures are not operating as intended. To offer a particular example, I draw members' attention to the School Enrolment and Attendance through Welfare Reform Measure, also known as SEAM.

SEAM has two main elements: increasing the number of children of compulsory school-age being enrolled in school; and identifying children who are enrolled at school but have problems with attendance, and putting in place strategies to address these issues. Where a child fails to attend school regularly, a parent's income support benefits may be suspended.

Research indicates that there is a negative cycle whereby poor school attendance is likely to result in poor education outcomes, and an increased likelihood of welfare dependency and unemployment. In light of the poor school attendance records in the Northern Territory, the committee found that measures that improve school engagement are a legitimate objective for the purposes of international human right law.

However, two substantive evaluations of SEAM have demonstrated that its effectiveness is mixed. Enrolment and attendance outcomes have not improved. As such, the committee recommends that SEAM be redesigned with a focus on the strategies that we now know to be the most effective. While highlighting that sanctions are a legitimate and effective mechanism to encourage families to assist their children to attend school, the committee therefore recommends that sanctions regimes differentiate between voluntary disengagement and non-attendance resulting from causes or factors outside the child or family's control.

As always, I encourage my fellow members and others who may be interested in these matters to examine the committee's report to better inform their understanding of the committee's deliberations.

With these comments, I commend the committee's Thirty-sixth report of the 44th Parliament and the committee's 2016 Review of Stronger Futures measures to the chamber.

BILLS
Social Services Legislation Amendment (Enhanced Welfare Payment Integrity) Bill 2016
Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Mrs PRENTICE (Ryan—Assistant Minister for Disability Services) (16:37): As I was saying earlier today, Australian taxpayers are not in a position—and are not willing—to gift 270,000 former welfare recipients a further $3,220. The government considers it entirely reasonable for people who owe debts to Australian taxpayers to make the necessary
arrangements to repay that debt in full and within a reasonable amount of time. We have a responsibility to protect the financial interests of our employer, financier and major shareholder: Australian residences and businesses.

This bill also introduces the legislative amendments required to remove the six-year statute of limitations on the recovery of social welfare payment debt, which will allow Centrelink to recover the social welfare payment debt regardless of the age of the debt. It is worth noting that as at the end of 2014-15 there were 36,834 debts worth $131.2 million that will reach their expiry date before this legislation is passed. That is right—more than $130 million can no longer be recovered because of the statute of limitations. There are also 54,200 debts worth $166.81 million that have already reached their expiry date and cannot be recovered by compulsory means—for example, by withholdings, tax garnishee, garnishee of salary or civil action. So that is more than $165 million that we cannot recover either. There were also a further 4,595 debts worth $12.96 million that were permanently written off over the 2014-15 financial year because they were past the statute date.

The write-off process is not automatic. The Department of Human Services periodically checks the statute of limitations date for an outstanding debt and writes off debts that have passed the six-year limit in which no recovery action has been taken. This bill will make the social welfare debt system consistent with those that currently operate in the tax and child support systems. The government encourages people with debts to talk to staff at Centrelink about their ability to pay off their debt over time. In cases of severe financial hardship, a thorough review of their capacity to repay will be undertaken and debtors will be given a fair amount of time to repay their debt.

However, we also know that some debtors deliberately avoid their obligation to repay their debts to the Commonwealth by not entering into acceptable repayment arrangements and, in extreme cases, heading overseas beyond Australia’s jurisdiction. The bill before us will allow the secretary to issue a departure prohibition order to prevent targeted social welfare debtors from leaving the country, as currently applies to child support and taxation debtors. We know that this operating principle works, because 4,551 new departure prohibition orders were issued between 2005 and 2015, resulting in the collection of $52 million in outstanding child support payments.

If a local resident in my area lent a neighbour $3,220 because they are going through tough financial times, but then that neighbour went on an overseas holiday, that resident who lent them the money in the first place would obviously ask for their money back. Again, as the old adage goes, ‘Fool me once, shame on you; fool me twice, shame on me.’ Why should Australian taxpayers by default be forced to delay public services and infrastructure delivery so that someone who has a debt with Australian taxpayers can go on an overseas holiday? The government considers it is not appropriate for an individual to travel overseas when they have the means to fund that travel but have not set up an appropriate arrangement to repay their outstanding debt to the taxpayer.

However, the government is mindful of reasons people may be required to travel overseas, and procedures will be put in place to allow people, subject to departure prohibition orders, to travel in specified circumstances. Obvious humanitarian reasons include to attend to an ill relative, to attend the funeral or cultural ceremony of a deceased relative or where international travel is a condition of employment.
Unrecovered social welfare debt is taxpayers’ money that could have been better used to provide other public services or better targeted services for those who need more help to help themselves—for the vulnerable in our community. Those who can work should work. There should be no excuses. Those who have accumulated a welfare debt to the taxpayer by claiming and then spending welfare money to which they were not entitled should be forced to repay this debt. This bill will enable the Department of Human Services to recover debts from current and ex-recipients of social security and family assistance payments. I commend the bill to the House.

Ms HENDERSON (Corangamite) (16:43): I too rise to speak on the Social Services Legislation Amendment (Enhanced Welfare Payment Integrity) Bill 2016, and it is my great pleasure to do so. As we have just heard from the very fine contribution from the member for Ryan, this bill contains two measures which strengthen our capacity to recover social welfare and family payment debts. There are amendments to allow for the use of departure prohibition orders to prevent targeted social welfare debtors from leaving the country, as currently applies to child support debtors. The bill also contains amendments to remove the current six-year limitation on the recovery of social welfare debt that would otherwise be non-recoverable, aligning the treatment of social welfare debt with the recovery arrangements in place for other Commonwealth agencies. While the average value of social welfare debt is some $2,350 and the average length of debt is just over three years, the oldest outstanding debt that the Commonwealth is currently facing is over 30 years old and the greatest amount of debt is in excess of $300,000.

The situation is this: at the end of June 2015 there were over one million debts owed to the Commonwealth, with a value of $3.04 billion. It is with great pride that I stand here and say that is not good enough. Why didn’t Labor tackle this question? Why didn’t Labor pass these amendments when it was in power? This is a monumental amount of money. It is taxpayers’ money. It is owed to the taxpayers. Consider what this amount of money could do—the schools and hospitals it could build, the passenger rail that it could develop, the roads, the contribution it could make to our economy in many different respects. Led by the Minister for Social Services, Minister Porter, this demonstrates that our government has a very strong commitment to making sure that every single dollar that we raise by way of revenue is properly spent and making sure that we deliver the money into the Commonwealth with great responsibility. Where there are these very significant debts, we will make sure that we do everything we can to recover them.

These debts have increased in value by almost 10 per cent since June 2014. They are skyrocketing. And yet, under the previous Labor government, we did not see appropriate action put in place to recover these debts. I think most Australians would agree that this is a very fair and reasonable measure. This money is owed to the Commonwealth. In many respects it concerns those who were on a welfare payment and who have now exited the system. We assume that they are working, earning an income and making a contribution to their family and, of course, to the broader society, but they are doing this with a black cloud hanging over their head, and this is impacting on the Australian economy very significantly. We are determined to do something about it.

Of this debt base, approximately $870 million is held by around 270,000 former recipients who do not make sufficient or regular payments. Current recipients of social welfare
payments who also have a social security or family assistance debt have their welfare payments reduced until their debts are paid, so there is a mechanism in place for the Commonwealth over time to recover those debts. However, there is no similar arrangement in place to recover debts once a person no longer requires social welfare or family assistance payments, because, of course, they are no longer part of the system, including Centrelink. The government considers that it is entirely reasonable for people who owe debts to the Commonwealth—to the taxpayers of Australia—to make the necessary arrangements to repay that debt in full within a reasonable amount of time.

Some debtors deliberately avoid their obligation to repay their debts to the Commonwealth by not entering into acceptable repayment arrangements. In extreme cases, they head overseas, beyond Australia’s jurisdiction. This legislation will allow the secretary of the department to issue a departure prohibition order to prevent targeted social welfare debtors from leaving the country as currently applies to child support and taxation debtors. This has been a very effective mechanism. Departure prohibition orders have been very effective in recovering outstanding child support debts. Between 2005 and 2015, 4,551 new departure prohibition orders were issued, resulting in the collection of $52 million in outstanding child support payments. We say that, if it is fair enough to recover child support payments from those who are refusing to meet their obligations—and I think every mother and father would agree that child support must be paid and a parent who has that obligation leaving the country should not reasonably be able to do so without paying their debts—we should take the same approach for other social welfare debtors.

People who have a departure prohibition order issued may still depart Australia in certain circumstances such as for humanitarian reasons or in Australia’s best interests. This might include a visit overseas to attend to an ill relative, a funeral, a cultural ceremony of a deceased relative or where international travel is a condition of employment. Where people do need to depart Australia on humanitarian grounds without paying their debt in full, they can make an application for a departure authorisation certificate. The application must be verified by, for example, provision of a medical report regarding the condition of the relative or a death certificate. But we say we are not going to allow this to continue any longer. We have a good system in place to recover child support debts when parents attempt to leave the country and not meet their proper obligations, and why should other debtors in our social welfare system be treated any differently? This was, frankly, a form of discrimination that prevailed under the previous government. We think this is a very important issue to address and to fix and we are very pleased to be doing that.

The other important aspect of this bill, as I mentioned, is that it introduces the legislative amendments required to remove the six-year statute of limitations on the recovery of social welfare payment debt. This will allow Centrelink to recover the social welfare payment debt regardless of the age of the debt. This is a very important measure. As at the end of 2014-15, there were 36,834 debts, worth $131.2 million, that will reach their expiry date within one year. That is before the legislation has been passed. Centrelink has not touched these debts for six years and will not have the capacity to reach those debtors and recover those debts. There are 54,200 debts worth $166.81 million that have already reached their expiry date and so cannot be recovered by compulsory means, which includes by withholding, garnishing wages, garnishing through taxation means or any sort of civil action.
When you look at the amount of money involved, it absolutely stands to reason that this limitation period of six years should be extended so that at any time the Commonwealth can rightly say, 'This money is owed to us. We want it back.' We want it back because we need to spend it on behalf of the Australian taxpayer for our schools, our hospitals, our roads, our rail, our social services and the many other functions that the Commonwealth performs in looking after the Australian people. What has been happening is that these debts have been written off, and we are literally seeing money going down the drain. This has become, in effect, an interest-free loan from the taxpayers of Australia. Stay out of the radar of the Commonwealth for some six years and then you get off scot free. We say that is not good enough. Those Australians who do owe a debt to the Commonwealth should not be able to get off scot free. As the chair of the Coalition Backbench Policy Committee on Social Services, I am very pleased that Minister Porter, the Minister for Social Services, received very strong support from the committee to implement these measures.

That is not to say that there are not some Australians with these debts who will encounter some hardship and who may need some time to pay these debts off, and we encourage them to talk to staff at Centrelink about their ability to pay off the debt over time. In cases of severe financial hardship, a thorough review of their capacity to repay will be undertaken and debtors will be given a fair amount of time to repay their debt. We are not expecting this debt to be paid overnight and we do not want to put someone through acute financial hardship as a result of the recovery of the debt, but we want something in place to make sure that over time this debt can be recovered.

This is one of the many measures the Turnbull government is undertaking to implement a fairer system that makes sure that the money that the Commonwealth raises is spent on those who most need our help. We have done this in many ways. Another very important way is the government's new multinational tax avoidance laws—unfortunately, opposed by Labor; inexplicably opposed by Labor—which came into effect on 1 January. They will ensure that major international companies operating in Australia but booking profits offshore have to pay tax here.

Mr Fitzgibbon: What about the threshold?

Ms HENDERSON: I will take that interjection. It is a shameful reflection on the Labor Party that we joined with the Greens in the Senate to pass this legislation, and this goes to show that we are serious about making sure that dollars do not get thrown down the drain, whether it is debts owed by Australian taxpayers or whether it is multinationals ripping off Australians and ripping off Australian jobs. In not supporting our legislation the Labor Party has said, 'We do not have any interest in combating multinational tax avoidance. We do not care. We are quite happy for this money to keep on going offshore, denying Australians important revenue and denying Australians jobs.' This is not good for Australians. I say very strongly that this is a good example of where the Greens have joined with our government to support this legislation to ensure it gets through to maximise the revenue for Australians and to maximise the revenue for this government. It is a shocking indictment, and we know it is a shocking indictment because whenever this is raised, as happened today in question time, members opposite hang their heads in shame. They know that this is a terrible error. This sends an appalling message to Australians that the Labor Party is not serious about combating multinational tax avoidance, and it really is a disgrace.
In so many ways we are very proud of these important measures that we have taken. There is other legislation to ban excessive credit card surcharges. It is such an important consumer protection measure but the Labor Party never took it on. It is incredibly important that Australians know they are governed by a government which cares with compassion and with a sense of fairness. That is another great example of how we are standing up for Australians and saying we will not cop people being ripped off. Again, we never saw any movement on that issue under Labor.

Whether it is implementing our free trade agreements, signing the Trans-Pacific Partnership or rolling out our $1.1 billion innovation agenda, we are very, very proud of the work we are doing. Locally, so much is happening in my electorate. There is the new ABS Centre of Excellence, the Advanced Manufacturing Growth Centre, $2.6 million for Geelong Region Job Connections, a new TradeStart office and hundreds and hundreds of jobs being created through the Geelong Region Innovation and Investment Fund. Whether it is our peak national policy changes or whether it is locally on the ground in Corangamite, I am very proud of our government's efforts. I commend this bill to the House.

Mr HUTCHINSON (Lyons) (16:58): I acknowledge the member for Corangamite, who has just completed her contribution as the chair of the Coalition Backbench Policy Committee on Social Services, and the passion and understanding that she has for this issue and for the Social Services Legislation Amendment (Enhanced Welfare Payment Integrity) Bill 2016, which is before the House today. It is interesting just to reflect on some of the comments, and I do not want to repeat all of those very factual and evidence based comments that the member for Corangamite made. But I just want to put them in context and look at the welfare spend that government makes in terms of the overall budget.

The social service and welfare budget of the country accounts for 35 per cent of every dollar of spend that the Commonwealth government makes. Comparing with the rest of government, if I could show you on this graph, it is very clear that the substantive side of the social services and welfare budget makes the health budget, for example, pale into insignificance. It is a quantum almost three times as much as the payments that Treasury makes to the states, local governments and different things. It is a quantum nearly seven times as much as education and training. The social services budget is responsible for almost eight or nine times as much as regional infrastructure and development.

It is also interesting to reflect on why we are in this situation now and why we are putting in place what I think are very reasonable measures. Most Australians would understand that payments made through the welfare system are based on a concept of mutual obligation between the recipient and the taxpayer who funds it. It is not government that funds it—it is the taxpayers. The taxpayers fund payments that are rightly made to people who are less fortunate, and long may that be the case. But when payments that have been made are greater than they should have been, I think most reasonable Australians would consider, particularly given the circumstances that we have in respect of the budget—and I will go into that a bit further in a minute—that it is reasonable that the government, on behalf of the taxpayers who make those contributions, look to recover payments that have been made over and above what the recipient was entitled to receive.

Similarly, if you look at the budget between 2015-16 and 2018-19 and you look at savings and revenue measures that have either been blocked by those opposite or not supported by the
Labor Party, the total is $13.4 billion, of which $7.1 billion in revenue or savings measures are in the social services portfolio. Spending that Labor says we must restore is $30.3 billion in the total budget, of which $3.7 billion is in the social services portfolio. Additional Labor spending proposals are $11.4 billion and $1 billion or thereabouts within the social services portfolio. In total, Labor's budget black hole, when it comes to the overall budget, is $46.9 billion, of which nearly $10 billion resides within the social services budget.

We have inherited a situation, if you will, akin to the bad tenants that trashed the joint. They trashed the rental unit and not only that, they locked the door. So when we came in to try and clean up the mess that the bad tenants left and the repairs that needed to be done, we were unable to get in. Those on the other side created the damage that has left us as a nation spending $1 billion every month in interest on the money that we owe. $700 million of that we owe overseas. We must repay $1 billion every month on our debt thanks to those opposite. Australians should never forget that. When we tried to bring in a range of different measures to clean up the mess that the bad tenants had left us with, they blocked it. They blocked it in the Senate with the support of the Greens and the crossbenchers.

That is why this bill is important. We have been unable to make those substantive changes that we proposed to make in respect of payments to people where we needed to reduce our level of spending. Balancing a budget is not only about revenue—it is also about spending. I think most Australians understand very, very clearly that we have had difficulty dealing with the Labor Party in respect of cleaning up the mess that they left us with.

We have before us today a measure to make sure that when payments have been made over and above what was entitled to be received by somebody on child support or other payments made through the social services budget, the government has the capacity to recover those debts. As the member for Corangamite before me highlighted, this will not be done in a way that compromises people's lives and the standard of living that they enjoy. They will be able to enter into repayment plans with the department to make those payments in modest ways. It has happened on many occasions that a recipient who owes the taxpayers of Australia outstanding debts has effectively been stopped from travelling overseas until they have repaid their debt. I do not know that most Australians think that is unreasonable.

There are exceptions based on humanitarian grounds—for example, where somebody wants to visit overseas in the case of a relative who is deceased. Of course there are those exemptions. But it is not reasonable, when the taxpayers of Australia are owed a debt, that somebody is going overseas to lie on a beach in Bali. I think most Australians would understand that.

The second component of this bill before us today looks at the amendments to remove the current six-year statute of limitations to recover social welfare debts that would otherwise be non-recoverable. This aligns the treatment of social welfare debts with other arrangements in other Commonwealth agencies. Just by way of practical example—and I note those people in the gallery there—if you have a debt to the Australian Taxation Office, they will come after you and they will seek you. They have the capacity over—

Mr Whiteley: They know where you live.

Mr HUTCHINSON: They know where you live. That is quite right, the member for Braddon. They will come after you. And there is no statute of limitations there for the
Australian Taxation Office to—rightly again—recover that taxable income. This is quite simple. Those on the other side seem to forget this: governments do not have money. Government only have money that has been raised in revenue from taxpayers, be that individuals or be that businesses. It is right, and it is proper.

In the measure before us, in respect of debt recovery—and the member for Corangamite touched on this—what has restricted the capacity of the Department of Social Services to recover the outstanding debt has been a six-year statute of limitations on those debts. To put it in perspective, the average social welfare debt is a quantum of only $2,357 per person. The average length of debt is just over three years. But there are outstanding debts which are over 30 years old. The greatest amount of debt is in excess of $300,000. An appropriate repayment plan is something that I think is not unjustified at all and something that I think most Australians would consider reasonable and fair. The proposal here is to remove that current six-year statute of limitations on the ability of the Department of Social Services to recover those outstanding debts, in line with similar agencies, such as the Australian Taxation Office. It is not something that I think most Australians would consider unreasonable.

It is important to understand that those on the other side, in six years of government, in six years of trashing our economy, trashing the budget, leaving this nation with a legacy that we have had to deal with—and deal with it we will, albeit with no help from those opposite—did nothing. They did nothing in any constructive way to try to recover these outstanding debts that are owed to the taxpayers of Australia. So they sit there. But this is the lot that we have. As I described before, we have come in to clean up the mess that the bad tenants left us.

I mentioned that at the end of June 2015 there were over one million individual debts, with a total value of $3 billion. These debts have increased by almost 10 per cent. The issue that I described earlier, in respect of the statute of limitations, is that people effectively go dark. They go underground. I did not realise that this was something that occurred. How on earth do you get away, with your credit cards and different things that we have in this day and age, with that situation? It probably says something about what a great country this is—that you can actually survive and you can live in a cash economy out there. You go dark for six years, and as it stands at the moment—

Mr Whiteley: The Labor Party went dark for six years!

Mr Hutchinson: Indeed. They left this country in a very dark place. But how good it is to see that now small business confidence in this country is returning, particularly in my state of Tasmania.

With the introduction of these amendments that we see before the House today, there is the opportunity for the Commonwealth to recover those debts after a period of six years. There has been a lot of success, particularly in respect of not allowing people without genuine reasons and humanitarian reasons from being able to travel overseas. So the measures that are before the House, in respect of that part of the legislation, have been shown to work. The second component, as I have just mentioned, is removing that six-year statute of limitations on the recovery of debt. On that note, I finish my contribution and I commend this bill to the House.

Mr Whiteley (Braddon—Government Whip) (17:12): Thank you to my good friend and colleague from one of the other Tasmanian seats, the seat of Lyons, for warming of the
crowd. I would like to thank Mr Hutchinson for that. It is a great opportunity to take the stage after him, because he made some very valid points. This man, who represents the seat of Lyons exceptionally well, fully understands—like every other member on this side of the House—that we have a job in front of us. We have a big job in front of us. We have been trying to do that job for 2½ years. God willing, and with the support of the Australian people, we will continue to do it for another three and a bit years.

The member who just concluded his contribution very clearly articulated the state of the nation's finances, so I do not necessarily need to go over that ground, other than to say that he is spot on. We have, on this side of the House, since our election in September 2013, been trying to do everything we possibly can to get this country's finances under control. 'Under control' is very simple in its methodology. It means that you spend less than you earn. It is a pretty easy principle for every Australian to understand: you spend less than you earn. We have all been brought up that way, I would hope. And we all understand the ramifications, should we enter into a lifestyle that continually leads to spending more than we earn, because we end up with big debts that we cannot pay and that cost interest that is then taken out of our disposable income, which leaves us with less money to spend on food, in a family sense, or less money to spend on health, education or infrastructure, in a governmental sense.

It is pretty well standard accounting practice that you try very hard to spend less than you earn. But that was not the case with the previous government, and the ramifications were left to us to fix up. As I often say, every morning when the alarm clock goes off we still find ourselves having to spend $100 million more than we earn. That will go on tomorrow and the day after and the day after, until such time as a credible government—a government that is hell-bent on living out that model of lifestyle of spending less than you earn—gets it under control. We have worked exceptionally hard, up against some very strong headwinds by those opposite, to try to find ways to bring about budget constraint and to try to find ways to bring the budget closer and closer to a surplus position.

It may be of interest to those listening to know that the welfare bill in this country now exceeds $150 billion—

Mr Simpkins: Per year.

Mr WHITELEY: Thank you, Member for Cowan—per year. That is what we spend on welfare. That includes the disability pension, the age pension, Newstart, youth allowance and so on and so forth. I think it is fair to say, and I am sure everyone would agree, that Australians are very generally fair-minded. They generally work hard for their income. They pay their tax—all of us with a degree of hesitation—in the full knowledge that part of the hard-earned money we pay tax on will go to provide a safety net for those Australians who, from time to time—or in some cases, in perpetuity—find that they need our help; they need a safety net. We provide welfare provisions to those people.

Every fair-minded Australian has no issue with providing a safety net. Where I think they leave the train on this matter is when they see a safety net for some become a trampoline. They do not like that. They do not like their hard-earned taxes being abused or used or taken for granted. They like to know that their hard-earned taxes are being put to work fairly and in proportion to need. That brings me to the point of this bill.
I congratulate the Minister for Social Services, Mr Porter, and those who have gone before him in this portfolio role for their work. It is a tough gig to be Minister for Social Services, with a welfare bill of over $150 billion every year. Another point that I forgot to mention is that, when you walk down your local main street in your community, of the 10 taxpaying individuals that you come across, the taxes of the first eight that you meet are going to meet the welfare bill of this nation. That is eight out of every 10 payers of personal income tax. That is a fact that should not be missed on anyone. So I do understand the pressures in this portfolio area and I thank the minister for his ongoing tenacity in trying to find ways to maintain the safety net, to maintain the fairness but, at the same time within his budget, to find those areas where we can claw back some of the funds that hardworking taxpayers are paying.

In this case, this one is an absolute monte. To cut to the chase, in this country you can owe money to the government because you have been overpaid—possibly for reasonable reasons or maybe not so reasonable reasons. You have been the beneficiary of the hard-earned money of taxpaying Australians, sometimes in the full knowledge that you did not really deserve it, but you have taken it anyway because you know you have not updated your information with Centrelink or you have not been quite transparent in the declaration of your income. I also accept that there are some people who find themselves to be making genuine mistakes, so let me put that on the record. But hardworking taxpayers across Australia do not expect for one minute people to be recipients of their hard work in the full knowledge that they are receiving money they should not be receiving. Then, to make matters worse, they find out that the government agency that is the mediator of the provision of that money to these people fails to go after that money and, up against the legislation it works with, after six years basically forgets that it ever existed.

The numbers presented to this chamber a few moments ago by my fellow amigo, from the seat of Lyons, are very startling figures. Why is it that we have a situation where someone can do the wrong thing—or not do the wrong thing, but, irrespective, find themselves owing the country, the government, money that no longer has to be collected? It just falls off the end of a cliff somewhere and people wake up one day and say, 'How lucky are we? The government has lost its passion to follow the pursuit of that debt,' and we just say: 'It's all okay, brother and sister. Don't worry about it. We are not fussed.' On behalf the hardworking taxpayers of Australia, that is not what they expect their taxes to do.

This bill provides two measures which strengthen the capacity of the agency and the government to recover social welfare and family payment debts—and I stress the word 'debts'. It amends legislation to allow for the use of departure prohibition orders to prevent targeted social welfare debtors from leaving the country. There are some conditions around that, which I will come to if I have time. These are the same rules, I hasten to add, that already exist for debts in child support. Every man and woman in this place would stand behind the fact that, if someone owes child support, they should pay it. The legislation around child support does allow the capacity to actually chase debt and prevent people from leaving the country if in fact they still owe child support money.

The second amendment to the piece of legislation we are talking about is to remove the current six-year limitation on the recovery of social welfare debt, which, otherwise, would be non-recoverable. It aligns the treatment of social welfare debt with the recovery arrangements.
in place for other Commonwealth agencies. I am not sure who the goose was who suggested it some time ago. Whether it was on this side of House or the other, I do not really care. It was not a very smart move to suggest that, after six years, people could just fall off the end of the cliff and we would not care anymore. To use the previous speaker's language, you could 'go dark'. Hardworking taxpayers have willingly stepped up to the plate to provide a safety net to the vulnerable, only to have it smashed back in their face.

I think this is a tremendous rearrangement of this legislation. It is a very positive amendment that hardworking taxpayers in Australia would have expected we would have done years ago. A debt to the Commonwealth can occur, as I said a moment ago, under differing circumstances, sometimes intentional and sometimes unintentional, but, irrespective of the motive, the money is owed. I hasten to add that sometimes I unintentionally accrue too much of an electricity bill in my household. Sometimes it is intentional, sometimes it is unintentional, but, at the end of the day, the bill comes. The last time I checked, they still wanted their money and, if I did not pay the bill, I suspect I would end up with a big sticker or, worse still, I would go to turn my lights on one night and they would not work. It is a principle of life that, if you owe money, you pay it back.

The average value of social welfare debt is $2,357. You might say, 'Gee, member for Braddon, that is not a lot of money.' The average length of debt is within the six-year limitation period—it is just over three years. The oldest outstanding debt, according to the records, is over 30 years old, and the greatest amount of debt is in excess of $300,000. At the end of June—this is a really important figure—there were over one million debts with a value of $3.04 billion. That is $3,000 million of hardworking Australian taxpayers' money. I am not, for one moment, going to stand here and justify why we should not go after that money, particularly when these hardworking taxpayers are doing everything they can to support their families.

These prohibition orders are an obvious place to start. Why should those who are providing the hard-earned taxpayers' money to provide for welfare have to save up for years and years to go on a family holiday when someone can leave the country tomorrow to sit on a beach and read a book in Honolulu owing, for example, to Centrelink and the Australian government? This is common sense. This is absolute common sense. Yes, it is carrot and stick—I accept that—but, at the end of the day, why should someone be able to leave this country when they have sufficient enough funds to go on a holiday but still owe money to the government?

Very quickly, in the one minute I have left, I want to assure people that, where there are hardship issues, the government has not failed them. The government has taken those into consideration within this bill. If there are extreme cases and hardship cases—if someone does not have money and, for example, they are being lent money by other members of the family to go to someone's funeral, and so on and so forth—these prohibition orders can be lifted for that period of time. The Commonwealth also reserves the right to hold onto a bond of some description to make sure that people are not leaving the country and not returning.

I cannot think of a fairer piece of legislation. It takes into account genuine cases of hardship. We are not going to stop someone from attending a family event such as a funeral, even if they do owe money, but we want to ensure that we are very good stewards of the hardworking, taxpaying men and women of Australia who every week see their taxes provide
a safety net. Let's make sure that they maintain their faith in that system. This amendment allows for that. *(Time expired)*

**Mr LAUNDY** (Reid—Assistant Minister for Multicultural Affairs) *(17:27)*: I rise to add my voice to those who, like my good friend from Tasmania, Mr Whiteley, have spoken before me in support of the Social Services Legislation Amendment (Enhanced Welfare Payment Integrity) Bill 2016, which Minister Porter has introduced into the House. I will pick up on something that Mr Whiteley mentioned: the fact that we are talking about taxpayers' dollars here. I have said many times prior to coming to this place that there are a lot of things that my father has always said to me—I spent 23 years working for my father—and they will stay with me for life. When I leave here, I will go back to work for him. One of them is: 'If you watch the pennies, the pounds look after themselves.'

Minister Porter oversees a budget that sits at around $147 billion today and that is forecast over the forward estimates to rise to a tick under $190 billion. We are talking here about $3 billion, but we are talking about taxpayers' money and we are talking about a principle. I have been in this place for 2½ years and the thing that has surprised me more than anything else is the mindset of people in response to spending taxpayers' money. I do not know whether it is—as the minister for agriculture alluded to in question time today—because not a lot of people currently in this place have a background in business. After being elected and coming here, I joined the Joint Committee of Public Accounts and Audit. For 2½ years I have in week after week of sitting weeks listened to reports from the Auditor-General of this country on programs delivered across a wide range of topics, including the Early Years Quality Fund where $300 million went out the door in about three hours to a team that had worked on the compilation of the policy. One of the department officials said that in his 23 years in working for the department he had never seen a 'first in, best dressed' tender system design. The department strongly advised the former government against it, but they went ahead with it and we ended up with a debacle—$300 million out the door.

The problem with this mindset is that it is not just at the politician level. The risk we run when dealing with taxpayers' money is that the mindset will permeate down through departments. One of my favourite examples is that, in inquiring into the management of the disposal of specialist military equipment, we had a situation where we agreed to sell six aircraft refuellers to a foreign company for $10.5 million. There was just one problem, and it was pretty major: no-one did any due diligence on the company's ability to pay the cheque. After the company had agreed to buy them, we then worked out there was a delay in getting the replacement aircraft refuellers. So over the next seven to eight years, in a tale of woe, it ended up that the company at one stage—I underlined this at the time and I will today—offered a contra to paying the money back because of the defence capability gap that had been created. The Department of Defence saw this approach as potentially supplementing their budget by obtaining some $6.2 million in services. That was in lieu of the money they were owed by the purchaser of the aircraft. Cash received would have had to be returned to consolidated revenue rather than retained by Defence.

It is this mindset that has to change. The risk we run in not making the changes that are enshrined in this legislation is not only that we will be allowing this mindset to continue inside government and bureaucracy but also that it will permeate large parts of our community. The risk we run is that people will say, 'We don't need to pay back government.'
The quantum is, to be brutally honest, staggering. As at the end of 2014-15 there were 36,834 debts worth $131.2 million that were due that year to reach their expiry date. So there is another $131.2 million that would have been written off. The total as of June 2015 of loans in this category was $3.04 billion. You are talking about big bickies. 54,200 debts worth $166.81 million have already reached their expiry dates, so they cannot be recovered. They are out the door. A further 4,595 debts worth $12.96 million were permanently written off over the 2014-15 financial year due to the statute of limitations, which is the six years that my friend from Tasmania so eloquently mentioned.

What are we doing here? We are doing what is right. We always default to ‘the government’, but it is not that the people involved in this owe the government this money. They owe the taxpayer this money. This money was given to them in a time of need. That is the social compact. I get that. But if you incur debt then you should pay it back. If it is good enough to receive from the taxpayer, it should be good enough to give back what you owe.

This bill contains two measures which will strengthen our capacity to recover social welfare and family payment debt. The amendments allow for the use of the partial prohibition orders to prevent targeted social welfare debtors from leaving the country. But there is a safety net in that. There is the ability for those people to make an application for reasons such as family ill health. It will be viewed empathetically and sympathetically at the time if so needed. That is fair. If you owe money to the Australian taxpayer—I want to keep saying that: it is not the government; it is the Australian taxpayer—and you have the funds to head off on an overseas trip for no good reason I think it only fair that you use those funds to pay back your debt to the taxpayer who funded your life in your time of need. The second amendment is to remove the current six-year limitation mentioned in the figures before.

Year by year we have more money falling off the cliff into that $3 billion abyss that we are talking about. A debt to the Commonwealth is obviously incurred when a welfare recipient receives an overpayment. That does happen. While the average value of that debt is $2,357 and the average length of time taken to pay that debt is just over three years, we have instances where the oldest debt is 30 years old and the amount is in excess of $300,000. These are situations that quite clearly need to be fixed. Of the debt base that we are talking about, approximately $870 million is held by around 270,000 former recipients who do not make sufficient or regular payments.

What the minister is doing here—and I note that he has joined us in the chamber—is bringing this system in line with how other parts of government operate, most notably the taxation system. As the member for Lyons so eloquently put it, try avoiding paying money that you owe the Australian Taxation Office. In his traditional Taswegian way he explained, all so subtly, that, ‘They know where you live.’ I can tell you, firsthand, from employing people whose wages were subject to garnishing that they are the first to line up for their money. I think it only fair that the Minister for Social Services has the exact same ability but, more importantly, defaulting to the position that the Minister for Social Services is recouping the money that the taxpayer has paid. Some debtors deliberately avoid their obligation to repay their debts to the Commonwealth by not entering into acceptable repayment arrangements and in extreme cases they head overseas, beyond our reach. This is why the changes made to the travel order are just so important, with the exception of the
compassionate clause that if application is made for reasons that are deemed appropriate then that travel will still be allowed.

As I said at the start of this contribution, if it is good enough for the welfare recipient to receive welfare in a time of need—as it should be and as is our social compact—then it is good enough for that welfare recipient, who is off welfare at the time, if owning money to the Australian taxpayer, to pay it back. I said at the start, my father has always said to me, ‘If you watch the pennies, the pounds will look after themselves.’ We are talking about $3 billion in a budget that comprises almost half of the Minister for Social Services $147 billion this year on its way to a tick under $190 billion at the end of the forward estimates. Is it a big amount in the grand scheme of the minister’s overall budget? No, but it is the right thing to do because, not only does it bring it into line with the way other parts of the government function, but it also sends a strong message to the taxpayers of Australia that this government will always be responsible with the way that, not only it spends its money, but also, if money is owed, the way that is goes about recouping it on behalf of the taxpayer so that it can be spent in ways that we deem completely appropriate.

I commend the minister for, as he has done in his time in this portfolio, introducing sensible, common-sense legislation that, not only looks after the taxpayers of Australia, but also allows us, if recouped, to either use the money to decrease our existing deficits or to use it in a more suitable fashion. I commend this bill to the House.

Mr PORTER (Pearce—Minister for Social Services) (17:40): I thank all of the members for their contribution, including members opposite. I might just make one brief comment before giving the more technical summary of the bill before us, which is the Social Services Legislation Amendment (Enhanced Welfare Payment Integrity) Bill 2016. The brief comment is in respect to a contribution from one of the members opposite, the member for Kingston, who said—I think this is a direct quote—that the Turnbull government ‘demonises’ people who rely on social security to get by. I must say that in general terms I think that is an inaccurate and most unfair criticism, particularly with respect to this bill. It cannot possibly be an accurate or fair depiction of the measures in this bill, or the way in which the measures in this bill have been advocated, or any possible or reasonable inference that could be drawn from this bill because this bill applies to former recipients of social security and family payments. The very point of this bill is that it seeks to recoup monies that were once paid to people who were once in the welfare system but who have, laudably, come out of the welfare system and become self-sufficient through pay as you earn employment or some other form of endeavour, but who have come out of the system with a debt.

The notion that somehow this is in the bill or that the Turnbull government in any way demonises people who are on social security or who find social security necessary from time to time to get by is inaccurate. As far as such a criticism relates to this bill, it is far off the mark because the very point of this bill is to look at proper and appropriate processes to apply to debts held by former recipients of social security and family payments. Indeed, part of the purpose of doing that is to ensure that the future payments inside the social security and family payment system are sustainable.

People who have accrued a social security or a family payment debt and are currently in receipt of payment have a portion of their payment withheld until their debt is repaid. That is the rule of thumb for those people who are inside the welfare system. However, there is no
such option available, naturally enough, to the government to recover debts once the person has left the payment system. The whole point of this legislation is to ensure that the same rules apply to debtors who are outside the payment system, that is outside the welfare system,—and they are arguably in a better position to repay their debt in any event—as to those who are inside the system, who regularly have their payments reduced until their debt has been repaid.

I might also make the point that, had the previous Labor government, when in office, acted during their time in government to recover these debts and do more to exact more stringency and more robustness in the process to recover these debts, then we would not be in the unenviable situation that we find ourselves in today with over one million debts totalling $3.04 billion. Of that debt base, approximately $870 million is held by around 270,000 former recipients who do not make sufficient or regular repayments.

This bill introduces the legislative amendments to allow the use of departure prohibition orders to prevent targeted social welfare debtors from leaving the country, as the system currently applies to child support and taxation debtors. The bill also removes the current 6-year limitation on the recovery of social welfare debt that would otherwise be non-recoverable, aligning the treatment of social welfare debt with the recovery arrangements in place for other Commonwealth agencies. With specific respect to departure prohibition orders, the government firmly considers, as was noted by the member for Reid, that it is not appropriate for an individual to travel overseas when they have the means to fund that travel but have not yet set up any arrangement to repay their outstanding debt to the Commonwealth. The new legislation proposes that the secretary may make a departure prohibition order, prohibiting a person from departing Australia for a foreign country, if the person has one or more debts to the Commonwealth and there are no arrangements satisfactory to the secretary for one or more of the debts to be wholly repaid. That is consistent with the treatment of people with child support and tax debts.

The government is of course mindful of the multiple reasons why people may be required to travel overseas from time to time, and so procedures were put in place to allow for people subject to a departure prohibition order to travel overseas in certain circumstances. So there is a discretionary safety valve here. Departure authorisation certificates might also be granted on humanitarian grounds or where the person's travel may be in Australia's best interests. It is further important to note that people who owe a debt or debts to the Commonwealth and are honouring their repayment arrangements will not be issued with a departure prohibition order.

With respect to the second measure—that is, the limitation of the debt recovery period—the government considers that, where there are debts owed to the Commonwealth, these debts should be recovered wherever possible and they should not be time limited and thereby bound by arbitrary time lines. The government is therefore introducing an amendment to allow for the pursuit and recovery of debts, similar to arrangements for the recovery of taxation debts. This will increase the Department of Human Services' capacity to recover outstanding debts. The measure requires the government to remove the current limitation on the recovery of debt where recovery action has not been undertaken in the preceding six years.

Social welfare debtors generally have more than one debt. Given the resources that social welfare recipients have to repay debts, debts are generally paid off one at a time over an extended period. It is possible in such circumstances for some of an individual's debts to reach
the six-year limitation before recovery can be actioned. Individual debts to the Commonwealth form an increasing asset base that continues to impose very significant financial costs on the community, and these are critical financial resources that the government could use to support other priorities for the Australian community. Indeed, one of those priorities is to sustain, and make sustainable, the entire welfare system.

The enhanced welfare payment integrity expanded debt-recovery measures will also better enable the Department of Human Services to recover debts from current and ex-recipients of social security and family assistance payments. The measures provide additional funds to expand Centrelink's debt recovery operations and capacity to utilise the full extent of powers contained within existing legislation for pursuing the recovery of debts. These include pursuing an additional 1,500 high-value debt cases relating to ex-recipients who have been identified as having the capacity to repay the debt; increasing negotiated repayment arrangements with ex-recipients by 8,000 per month; negotiating higher repayments from ex-recipients currently making debt repayments but identified as having the capacity to pay more; and targeting current recipients who are on a partial rate of payment due to employment income so that they are in repayment arrangements suitable to their circumstances.

The government will also, of course, continue to focus on protecting the integrity of the welfare system. The enhanced welfare payment integrity expanding debt-recovery measure is estimated to achieve net underlying cash savings of $157.8 million over the forward estimates.

I consider that these sensible measures will resonate with the taxpayers of Australia, who know that in everyday life the need to manage a household budget often includes managing the repayment of debts.

This bill, in conjunction with the Social Services Legislation Amendment (Interest Charge) Bill 2016, provides a suite of measures that strengthen the government’s ability to recover debts from former social welfare and family payment recipients. The government is of the view that people who owe money to the Commonwealth should be required to pay that money back before heading overseas on holiday or departing Australia permanently. The government also considers that the law as it stands, which allows people to repay their debts over time, is fair, but that it is not fair or equitable for other debts to remain unrecovered because they fall outside an arbitrary time limit. On that basis, I commend the bill to the House.

Question agreed to.
Bill read a second time.

Third Reading

Mr PORTER (Pearce—Minister for Social Services) (17:49): by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

Primary Industries Levies and Charges Collection Amendment Bill 2016

Second Reading

Debate resumed on the motion:
That this bill be now read a second time.
Mr FITZGIBBON (Hunter) (17:49): As the Minister for Agriculture and Water Resources indicated in the second reading speech, the Primary Industries Levies and Charges Collection Amendment Bill 2016 makes legislative changes to the Primary Industries Levies and Charges Collection Act 1991 which will allow the Department of Agriculture and Water Resources to provide levy- and charge-payer information to rural research and development corporations for the purpose of developing levy-payer registers.

I begin my contribution by indicating that the opposition will be supporting this bill. It appears consistent with the findings of a number of parliamentary inquiries into the R&D levy system. But I will be raising, throughout of my contribution, some concerns we have about the lack of information and transparency. I think there are a number of questions left unanswered by the minister's second reading speech, the explanatory memorandum and other information we have been provided in the course of internal discussions on this legislation.

Because of the complex nature, in a sense, of the minister's contribution—and that is not a criticism; ministers in this place need to make straight-bat, direct second reading speeches—for those listening to this debate who do not understand those complexities because, arguably, they do not follow the agriculture and R&D levy system, I feel it is my duty to at least attempt to put what this bill seeks to do in plain English.

In this country, as you know, Mr Deputy Speaker Mitchell, and as most people know, we have a world-class research and development system, a co-funded system which allows money raised from producers, growers and the like to be partly matched by government funding, further leveraging the money raised by levy payers, and then invested in the research and development system. It is a bit of a complex web, but, in the first instance, that money typically goes to agents and then, eventually, on to the department of agriculture as the holder of the money. It then makes its way to the research and development corporations. In this country we have five RDCs that are what we describe as a statutory bodies and I think nine that are best described as industry-owned bodies.

Up until the passage of this legislation, if it passes both houses of parliament, information about exactly who is paying what through the agents and to the agriculture department are not known to the people who spend the money—the research and development corporations. This further exacerbates concern amongst many growers, producers and the like—fishers, foresters and the rest—over where their money is being spent. Obviously a number of producers, growers, pay more than one levy. Mixed farming operations will be paying a number of levies and even although those levies might be invested very wisely, because of the time lag and other reasons the producers often do not see the benefits of the levies. That is exacerbated when there is no real link between the RDC and the levy payer—in other words, the RDC does not have sufficient information about who and where the levy payer is.

Effectively, this bill will for the first time—although two commodity sectors, dairy and wool, have been able to do this for some time—allow all RDCs access to information about levy payers. It will allow them to access their name and address, their contact details and their Australian business number. At first glance that appears to be a good idea and the opposition is absolutely supportive of that concept. What concerns us, as I said, is that there are a few unanswered questions about how that information might be shared, and in particular, for example, how it might be shared by the peak industry bodies or councils. In this equation we have levy payers—producers, growers et cetera—we have agents collecting money, we have
the department and we have the research bodies. For those who are not familiar with research bodies, I cite organisations like the Grains Research and Development Corporation or Meat and Livestock Australia. There are many more but I will not go through them all. They are the research bodies and in some cases the marketing bodies, and then of course there are the peak organisations—the Dairy Farmers’ and Cattle Councils of the world; groups that often take membership fees and seek to represent and act as a voice for the industry.

I have questions about access to information by those peak industry bodies. The explanatory memorandum and the minister’s second reading speech are quite vague about the protection of this information. I do acknowledge that the department secretary will be the arbiter in determining where this information is shared, if I understand it correctly, but I do note that the explanatory memorandum says that the release of data can be ‘only permitted for specific uses which directly relate to improving consultation, voting systems and the operations of an RDC.’ Even the use of the word ‘and’ I find confusing, uncertain and unclear in terms of definitions. These are very broad, sweeping statements. I am not suggesting they are not sufficient to give integrity to the new system that we require, but I am suggesting it is appropriate for questions to be asked about those issues.

I also note, thanks to the explanatory memorandum, that there is an opt-out clause and that any levy payer who does not want their name, contact details or ABN provided can opt out of the system but I cannot see any reference to how a farmer goes about opting out of the system—is it a simple phone call or do they have to go online to fill out a form or do they make three phone calls or do they have to write an essay? I do not know but it sounds to me as though there is the potential for there to be a red tape burden on a farmer, but I am concerned even more that a farmer is unlikely to know that he or she has the opportunity to opt out of the system. We would like to have these questions and others tested by the relevant Senate legislation committee to ensure that this legislation is robust and that our normal expectations about privacy are guaranteed, notwithstanding some of the guarantees made in the explanatory memorandum and I think potentially in the minister’s second reading speech. We want some answers, and particularly we would like to get the secretary’s views about the circumstances in which he would, for example, allow the MLA to share information with the Cattle Council. What would his interpretation be of the words in the explanatory memorandum around the criteria for the release of information? What would be his definition, for example, of directly relating to consultation, voting systems and the operations of an RDC? I think these are legitimate questions.

The opposition has no interest in holding up the bill, although the Senate seems to be doing a fair job of holding up bills itself. I notice we had a filibuster on the bill just before this debate because the government does not have enough ideas or policies to keep the House of Representatives going for the evening. The Senate is somewhat of a different proposition and it is likely to cause the government more problems than the opposition might in terms of delay, through the referral of the bill to a Senate committee.

We need to be sure that all the intentions of these changes are as stated and that there will not be an opportunity for levy payments to be misused, deliberately or otherwise, especially by peak industry bodies or councils, which might see an opportunity in using the information to promote their own views about the industry or to canvas other people’s views or to run a political campaign. This information would be very powerful in the hands of a peak body, as
it is something that has not been available to them before. It could dramatically change the
dynamic of any particular sector and it might allow a peak body to advocate increases in levy
charges directly to levy payers. These are legitimate questions and we will be seeking to have
them answered in the Senate. I am sure that the secretary of the department will be able to
help us out in that regard.

There are many facets to the research and development efforts in agriculture. As I said, it is
a world-class system, but it is a system that can always be improved. I have previously talked
about one RDC, the Grains Research and Development Corporation, using money beyond its
statutory remit—money collected for certain purposes but used for other purposes. I have said
before that Grains Research and Development Corporation is sponsoring conferences and
paying for Alan Jones to go out on roadshows to talk to growers and the like. I cannot for the
life of me see how that falls into the responsibilities of the Grains Research and Development
Corporation.

The GRDC is a statutory corporation, an arm of the government, which collects and spends
about $170 million of farmers’ income in any given year. We in this place, including the
minister, should be making sure that that money is appropriately spent and well spent. As a
statutory corporation, the GRDC has no marketing role—not without specific authority to do
so and not without raising a specific marketing levy. The minister’s silence on this issue has
been deafening. I have called upon him on a number of occasions to haul the chair of the
GRDC in to ask questions about the way levy money is being spent, but the minister has
simply refused to do so. Of course, he might have chosen to do so privately, but he has not
shared that information with me or the broader community. What the broader community and
levy payers are entitled to know is not necessarily whether the minister has had that
conversation, but whether the minister has secured some answers and outcomes. They are also
entitled to know whether the minister is prepared to make some pronouncements, which
might put the minds of levy payers at rest. Levy payers might then be assured that the
substantial money they pay for research and development is being spent for those purposes. If
you were to knock on the door of any grower around the country and ask them whether they
believed an Alan Jones panel discussion in Toowoomba or anywhere else was value for
money I am very confident that they would say. ‘No.’ I do note that on at least two of those
panel discussions with Alan Jones conservative politicians have taken to the stage. I have
asked Minister Joyce for a guarantee that he himself would not be taking the stage at future
GRDC Alan Jones roadshows. He has not been prepared to give me an answer or a guarantee,
although I do note that he has not appeared yet and so I suspect that, having belled the cat, he
is not so unwise as to turn up to one of those events.

I also note that the crowds have not been particularly strong at these Alan Jones roadshows
and again that underpins my concern that hard-earned grower money is being frittered away
on sponsorships, roadshows commercials, et cetera, which in no way assist much-needed
R&D efforts. R&D is too important to be treated in this way and money for R&D is too hard
to get to be wasted on roadshows and the like. We know in Australian agriculture productivity
has been flat lined for some time now, and our R&D, innovation and extension efforts will be
critical in turning that around.

The government said before the election that it was going to spend some $100 million in
addition to the current spend on R&D—$100 million over four years. We welcomed that
pronouncement, but what the government did not tell us at the time was that it also proposed to cut money from one RDC, the rural industries RDC—it never explained why this but no other one—and further substantial cuts to the CSIRO and a number of CRCs. Indeed, the cuts imposed elsewhere on agriculture are greater than the $100 million additional being spent on other RDCs. In round 1 some $26.7 million was spent, while not one cent has been spent in round 2, which has been out there for some time. I will make a prediction that some of the money in round 2 will be announced prior to the election, whenever that might be—sometime in the not too distant future, I suspect. The equation is a simple one: more than $100 million has been taken out of R&D areas affecting agriculture and, of the $100 million put back in on the other side of the equation, only $26.7 million will be allocated over four years. It is no longer $100 million over four years; it is $26.7 million over four years. It will not be spent before the election, no matter when they announce it. That is a substantial loss to the industries. Given those cutbacks, the minister needs to ensure that the reduced money is being spent effectively.

There is more to this, of course, because we know that the minister is still determined, I am told, to move the RDCs out of Canberra and into regional areas. I will not dwell on this for too long because I have laboured it before, but, basically, despite their names, research and development corporations do not undertake research. They do not undertake research; they take levy payers' money from the department and make decisions about where that research should be spent. That is where this new database is important, because now they can communicate directly with those who pay the levy. That will no doubt assist RDCs in setting their research priorities. This idea proffered by the minister that we need to get the RDCs out closer to the growers and the producers is a fiction. They do not need to be out closer to the growers and the produces. They do need to be situated where they are efficient and, of course, they do need to be able to retain professional staff. Moving them out of Canberra is not going to help that effort. Indeed, they are likely to lose good staff. The transition out of Canberra to various regional areas is going to cost substantially. Part of that cost will be very significant redundancy payments, which, of course, is less money available to spend on agriculture research and development.

I will just briefly touch on the APVMA. It is not necessarily directly related to this bill, but the APVMA is another Canberra based organisation, or regulator, critical to the future of agriculture in this country. The relocation—the forced move—of the APVMA, outrageously to the minister's own electorate in Armidale, is nothing more than a pork-barrelling exercise which is going to dramatically impact on agriculture. Agriculture needs the regulator to push through the process for those crop protection chemicals and other products as quickly as possible. The APVMA move is going to cause a dramatic loss of professional staff, scientists and the like. Again, there will be redundancy costs, because those scientists and professionals, with their kids in school in Canberra, are simply not going to be prepared to move to Armidale. The APVMA's customers are not farmers; they are the chemical companies—often multinational chemical companies—based in here or in other capital cities. They are not going to be very happy, I am sure, about the prospect of getting a once-a-day, or whatever it is, plane to Armidale every time they need to talk to the APVMA.

I just want to go back to GRDC because it is linked to the concerns I have raised about this bill and the questions that we want to test in the Senate committee. In my view, when the
GRDC starts spending money outside its remit, it lowers trust in the grower community. I am sure plenty of growers out there have less trust, or less confidence, in the GRDC today than it did before it started the Alan Jones roadshow. So that undermines confidence. On that basis, we need to be able to test these questions in the Senate. Of course, we will be doing so on behalf of those growers who pay those levies.

The other point is: this is a minister, in a sense, asking us to take him on trust. This is the same minister that doctored his Hansard, misled the House on the Hansard and is now fighting at every opportunity to stop us procuring under FOI documents that go to both the circumstances in which that Hansard was changed and the circumstances in which a very good departmental secretary, in the name of Dr Grimes, was sacked from his position. So this is not a minister we take on trust. These are not necessarily changes that we take on trust for very good reason, and we will be testing them through the Senate process.

I saw the minister's media release on this change in this bill. It was a reasonable explanation about what this bill seeks to do, but let us not get too carried away with what it achieves. It is a step in the right direction. It is one which we will support if our answers are provided. There are two reports relevant to this bill from the Senate, neither of which have been properly responded to by this government. In particular, the report specific to the R&D system has not been responded to by this minister. The cattle transaction levy inquiry, so promoted by the minister during the last election campaign, has been done and dusted, but it has still not been specifically responded to—I should not say 'not specifically responded to'; not adequately responded to by the minister. It is always very easy from opposition to make promises to the beef industry, the cattlemen, but the minister has found out it is not so easy in government. I will be asking Labor senators on the committee to test any relationship between what the minister was trying to do but was unable to do when, pre-election, he was promising new arrangements in the beef industry and this bill. I will be interested to see what departmental officials have to say about that.

There are many things that the minister could be doing for this sector that he is not doing. We saw a white paper that was failed white paper, lacking any strategic narrative. We hear lots about dams which we know have either already started or will never come to fruition. Today, the minister was boasting that the government was going to change section 46 of the Trade Practices Act. I know that that will be popular in some rural seats. I know that members on the other side will be out there exploiting it, but this is bad policy. We know it is bad policy. The Treasurer knows—

Mr Neumann: A lawyers' picnic.

Mr FITZGIBBON: A lawyers' picnic, my colleague suggests—and I think that is true. We know that the Assistant Treasurer and, indeed, the Treasurer are longstanding opponents of this change to section 46 of the Trade Practices Act, but, for some reason, it seems that the Prime Minister has decided to roll all of them and go with what he believes is the most popular thing to do out there in some rural and regional seats where the government is under substantial pressure a short time before an election.

Section 46 has been studied to death in this place. I have been here 20 years and I have been involved in a number of inquiries into section 46. Section 46 is there for the interests of consumers and it does that by promoting and protecting competition. At the moment a firm with a substantial degree of market power that misuses that market power to the detriment of
a competitor—obviously, more often it is a smaller competitor—is guilty of a breach of section 46.

Under the current law someone needs to prove that the big firm intentionally set out to misuse that market power to the detriment of the smaller player. I acknowledge that that hurdle has been quite a high one in a number of court cases. But this sledgehammer approach will have a chilling impact on competition in the market. Larger firms will not be game to take a step to the left or to the right, or to take a step forward, for fear that someone might find that it had the effect of taking out a competitor. But what is good for a consumer is plenty of competition. We need competition in the market. It may be that, in some circumstances, the loss of someone from a market is a good thing, if they are not competitive. That is what competition in markets is all about. The fact that someone drops out of a market is not, in itself, proof that someone has misused market power. So, rightly, we have had to test it before the courts. This change is, if you like, a complete reversal of that onus, and one which will, in my view, have a chilling effect on the market.

Mr Taylor interjecting—

Mr FITZGIBBON: I can hear the assistant minister at the table groaning a little. I acknowledge that he knows a little bit about these things. But I would be very surprised if he agreed with every word that I am saying. I will pose a question to him in case he speaks next on this bill. Given the minister's rhetoric, how many plumbers, electricians and other tradesmen or farmers in his electorate will now be going to the ACCC seeking a victory in the courts under the new section 46 of the trade practices act?

Mr Taylor interjecting—

Mr FITZGIBBON: Where it will have a chilling effect is in medium-sized companies, with maybe 100 employees, that take action against a larger player who made a smart move in the market which had the effect of adversely impacting on the medium-sized firm. The court will have no choice, given that there was an adverse impact, but to find that the bigger firm had a deliberate intention of injuring that medium player in some way. That is not good law, Minister, and you know it is not good law. If you were very honest, you would jump to your feet at the first opportunity.

I can see the member for Hughes at the back of the chamber. He was challenged in an earlier speech to mention section 46, because the member for Hughes has been on the record more than once opposing these changes to section 46. Maybe he will have another opportunity to rise to his feet on this bill—we will give him leave, if he needs it—to explain his position on section 46. He joins the Assistant Treasurer, I think the Treasurer and many others on that front bench who have been railing against this change to section 46 all of their political lives, but who are now not even prepared to stand in this place and talk about it. It is a damning indictment on all of them. That is the truth of it.

Those opposite say they are standing up for rural and regional Australia and small business people, but we know it is not about that. It is about saving the Prime Minister's backside. That is what it is all about. They have done a strategic plan. They have said: 'We are going to look silly in the big end of town. The business community will come down on us, but at this point in the electoral cycle what matters is how this plays out in certain rural and regional seats.'
That is all that matters: how this plays out in certain rural and regional seats. That is exactly what this is all about, and they will be found out eventually.

The minister was on television today saying, 'We fixed milk. People are only paying $1. We fixed that. We'—as if he did it—'exported milk to China and we got $11. So we fixed that.' In other words the minister thinks that Australians should be paying somewhere between $1 and $11. I am not sure which; he did not nominate the price. But there are two people at the table: the producers, who need a fair return, and the consumers, who expect a fair go. The real way to make sure that they are both winners is to have a productivity agenda, so that there is a win-win. But this government has no productivity agenda for agriculture.

Ms MARINO (Forrest—Chief Government Whip) (18:19): It is clear, by those comments that he just made, that the member for Hunter has never been a dairy farmer like me and been an absolute price taker in the marketplace. As someone who has been through this process, I would desperately have liked to have had access a number of years ago to the revised section 46 to assist my group of farmers in what we were trying to do.

Mr Fitzgibbon interjecting—

Ms MARINO: I would remind the member for Hunter that I have been through that process with the ACCC. The process was particularly difficult. There were many breaches of what was then the trade practices act associated with that. So I speak from a position of experience of being an absolute price taker in the marketplace, and focusing on consumers is a challenge when you are in that position in the marketplace.

It is important that we minimise the regulatory burden on our nation's farmers and food manufacturers. It is also vital that we maintain our reputation for producing high-quality, safe food that is the envy of the rest of the world. This is our greatest advantage in the international food marketplace. Australia's gross value of farm production is worth an estimated $48.7 billion a year, with an export value of farm commodities well over $30 billion a year. We export 60 per cent of what is grown in this country by some of the best farmers in the world.

There is no doubting the quality of Australia's food production. The Department of Foreign Affairs and Trade said:

Australia has a worldwide reputation for producing superior quality, premium food. Australian food producers are committed to providing the highest international standards of quality management and food safety.

As a dairy farmer myself I can say that that is exactly the case in my industry. It is an industry that is focused, and has to be focused, on innovation. It is focused on increased productivity, often with less land, less water, less fertiliser and less profit. Agriculture keeps many rural and regional communities alive. Although the nation may no longer ride on the sheep's back, as we have heard historically, agriculture is still the lifeblood of the bulk of the Australian landmass. Australia's rural industries are among the most innovative and productive in the world. Continued investment in rural research and development is vital to ensure ongoing growth and improvement in the profitability and competitiveness of Australia's agriculture, fisheries, forestry and food sectors. In recognition of this, the Australian government works with industry to co-invest with the growers in research through our world-leading rural R&D system.
The RDCs were established under the Primary Industries and Energy Research and Development Act 1989 to provide research and development services or, as they are commonly known, research and extension services. They are vital to keep Australian primary producers at the forefront of industry around the world. Continuous innovation underpinned by pertinent—it has to be pertinent—and high-quality research is essential to maintaining competitive and profitable industries and maintaining the rural communities that depend on them right around Australia. There are 15 R&D corporations—five statutory and 10 industry owned—supporting a wide range of rural industries. Through them, primary producers invest in themselves and their future. They invest in research, development and extension. Like all industries, it is essential that the agricultural sector invests in its own future, as we have for many years. With the development of an RDC, the respective industry has the capacity to set up and collect a levy paid by its own members. Government helps this process by doing the collection and passing on the proceeds after, of course, recovering costs. To encourage producers to invest in their own productivity and to support the industries themselves, the government matches the corporations' eligible R&D up to legislated limits.

The national interest demands a healthy agricultural sector, and a healthy agricultural sector requires farmers to be both competitive and profitable. There are approximately 134,000 farm businesses in Australia, 99 per cent of which are Australian owned. Australian farmers produce almost 93 per cent of Australia's daily domestic food supply and export 60 per cent of what they produce. There are around 300,000 people directly employed in agriculture, and over 1.6 million people are employed in food and fibre production, processing, distribution and marketing. Farmers themselves contribute around $48.7 billion, or three per cent, of Australia's total gross domestic product. With the value-add, this comes to around 12 per cent of GDP—approximately $155 billion.

There is no doubt that farm profits have been squeezed in recent years. We have seen constant demands for farmers to become more efficient. Australian farmers have responded magnificently. They remain internationally competitive, often in one of the toughest environments to produce, if you look at Australia. They have done this through efficiencies and productivity growth. This has been strong relative to other sectors of the economy and comparable with other OECD countries. It had increased steadily over a 30-year period at 2.8 per cent, consistently outperforming other sectors to the point of doubling the rate of some other industries. Without this level of growth, the gross value of production in Australian agricultural sectors would be approximately $12 billion per annum rather than $40-odd billion. In recent times, agricultural productivity growth has slowed to one per cent per annum, further highlighting the need for research and development to ensure that the industry can continue to grow and develop, and, of course, those profits are received at the farm gate.

Rural industries are engaged with and firmly support the R&D corporation model. The development of levy-payer registers has been identified in a number of reviews and inquiries as important to the ongoing strength of Australia's rural R&D system. The Senate Rural and Regional Affairs and Transport References Committee inquiry into industry structures and systems governing the imposition of and disbursement of marketing and R&D levies in the agricultural sector recommended the imposition of and disbursement of marketing and R&D levies in the agricultural sector, legislative amendments to allow for the development of a
levy-payer register, improving consultation with levy payers and ensuring the accurate allocation of voting entitlements.

The *Agricultural competitiveness white paper* identifies a number of measures aimed at improving Australia's world-leading rural R&D systems. These measures and the outcomes they seek to deliver, including new R&D priorities, improved governance of RDCs and increased funding for the Rural Industries Research and Development Corporation, will benefit from timely improvements to consultation between RDCs and levy payers.

I also want to touch on a few organisations. I looked at the Cotton Research and Development Corporation. There are 1,250 growers and they are running 150 R&D projects. There is $20.6 million, between the government and the growers, available to five key priority areas: farmers, industry, customers, people and performance. This is just a snapshot, but they look at weeds and pests—there is critical R&D in weeds and pests—water and self-cooling cotton fabrics for the market. Around the priority area of people, there is rural leadership investment. Frequently, CSIRO is a researcher in this space, along with these organisations. I looked at what the Grains Research and Development Corporation were doing: meeting market requirements; improving crop yields; protecting farmers' crops; advancing profitable farming systems; building skills and capacity; rot resistance; fertiliser, fungal and viral R&D; adaptive practices; and climate change. Of course, again, researchers were from CSIRO.

As to MLA, I looked at the R&D on grass-fed cattle and grain-fed cattle, and on sheep and goats and their supply chain. And I looked of course at Dairy Australia. I am aware of what is happening with Western Dairy on the ground in R&D. But, equally, at a Dairy Australia level, the investment arm is returning a $3 benefit for every levy dollar raised from the farmers. They are investing in things such as farm margin improvements, animal performance and elite genetics, in herd fertility and in milk quality, in farm business management and in benchmarking between actual farm businesses. They are also investing in resource management; in the things that are really live issues for our dairy farmers: issues around nutrients, water, soil and energy; in industry natural resource management strategies; in on-farm emissions mitigation; and in water-use efficiency. These are the practical matters.

So the Primary Industries Levies and Charges Collection Amendment Bill 2016 makes legislative changes to the act which will allow the Department of Agriculture and Water Resources provide levy and charge payer—levy payer—information to the rural research and development corporations for the purpose of developing levy payer registers. As it stands, the act only permits the distribution of levy payer information to the wool and dairy RDCs. This bill remedies this by allowing the government to provide the levy payer information to the 13 other RDCs. Levy payer registers allow RDCs to identify and consult directly with the levy payers—the levy payers who actually fund the R&D system—and ensure accuracy in the allocation of voting entitlements. That is very important if you are the grower. Through greater levy payer engagement in their work, RDCs will be better able to align research investments to industry priorities, to improve returns to farmers, fishers and foresters, and to contribute to a more profitable, competitive and sustainable agricultural sector. The bill removes the legislative impediment to the development of levy payer registers.

However, recognising that a one-size-fits-all approach would not be appropriate, given the diversity of Australian agricultural industries, as we know well, the bill allows for the distribution of levy payer information to an RDC to occur only where an RDC, in consultation
with industry, requests it and that request is approved by the Minister for Agriculture and Water Resources. The department would then work with the RDCs on the administrative design and development of a register. This is consistent with the government's approach to the broader R&D levy system where levies can be introduced or amended at the request of industry.

The bill allows an authorised person to provide levy payer contact information, and details of the levy paid or payable, to an eligible recipient. The bill defines an eligible recipient as an RDC or the Australian Bureau of Statistics; it is prescriptive in that form. This is consistent with the government's Public Data Policy Statement, which commits to securely—securely—sharing data between Australian Government entities to improve efficiencies, and inform policy development and decision making.

The bill also sets out the purposes for which the information provided to the eligible recipient can be used. This includes matters relating to the development and maintenance of the levy payer registers, the ability to make public any statistical, de-identified information, and any functions required of the recipient under Commonwealth laws or under a funding agreement between the RDC and the Commonwealth. The RDCs will also be able to use levy payer registers to allocate voting rights for industry polls more efficiently and accurately, without the need for paper based statutory declarations.

I will go back to where I started. The work of RDCs and the contribution of the growers, the farmers, to this, with the government, are critical for the future of the agricultural sector, and for the growers in particular, as well as for the industry as a whole. We need to not only maintain our international reputation as a clean and green producer of some of the highest-quality products and fibres in the world but also make sure that our farmers have sufficient profitable businesses to maintain the capacity to be effective in a constantly changing world.

Mr PITT (Hinkler—Assistant Minister to the Deputy Prime Minister) (18:35): I rise today to speak on the Primary Industries Levies and Charges Collection Amendment Bill 2016. This bill makes it possible for rural research and development corporations or RDCs to identify and connect directly with the primary producers who fund their work.

My region is one of the largest and most diverse agricultural regions in the nation. It produces a wide range of fruits, vegetables and nuts, and beef, sugar, pork and dairy, just to name a few. Data from the 2015 ABARES report for the Wide Bay region—which takes in the five local government areas of Bundaberg, Fraser Coast, Gympie, North Burnett and South Burnett—states that, in 2012-13, the gross value of agricultural production in Wide Bay was $1 billion, or 10 per cent of the total agricultural production in Queensland. Of that $1 billion, vegetables contributed 23 per cent or $239 million, with the major crops being tomatoes at $90 million, potatoes at $25 million, and beans at $20 million. In 2012-13, the Wide Bay region accounted for almost 98 per cent of the total value of Queensland mandarin production, and 85 per cent of the total value of macadamia nut production. The region is home to about 4,356 farms, or 16 per cent of all farm businesses in Queensland. About 24 per cent of all people employed in the Queensland agriculture, forestry and fishing sector are based in Wide Bay. The sector employs about 12,700 people locally, representing about 12 per cent of the region's total workforce. All the producers of these products, the hardworking farmers of Hinkler, pay levies on their production that are invested in research and
development—invested in the future of agriculture; invested in securing the livelihoods of our farming families and the jobs in our communities.

This bill allows a levy payer's contact details and the amounts of levy paid to be provided to RDCs. This information is currently only available to the wool and dairy RDCs. Access to levy information would provide RDCs with the ability to identify and consult directly with levy payers on the strategic direction of research activities. It will place levy payers—our farmers—in a more central role on how levies are spent for their benefit. It will allow RDCs to better rely on research investments to industry priorities, improving returns to primary producers and contributing a more profitable, competitive and sustainable agriculture sector.

Australia's primary industries have a strong tradition of being innovative and of being able to adapt to new challenges. They are highly efficient and competitive international markets. The outlook for the sector is strong, with the demand for good-quality food on the rise. Investment in research, development and innovation is vital for the ongoing growth and improvement in the productivity, profitability, competitiveness and sustainability of the nation's agriculture, food, fisheries and forestry industries.

The coalition government currently provides around $250 million every year in matching funding for RDCs. This is on top of the approximately $500 million provided directly by producer levies. This is a significant commitment from both farmers and government and we need to make sure it is used as effectively as possible and delivers the best outcomes for our farmers, rural communities and the nation. This funding is used by the RDCs to commission and manage targeted investment in research, innovation, knowledge creation and extension. There are also Rural Research And Development Priorities to balance new and ongoing R&D investment needs for the primary production section and to ensure R&D objectives of the Australian government are met.

These priorities, which were developed in consultation with state and territory governments, industry, research funders and providers, are: productivity and adding value, improving the productivity and profitability of existing industries and support the development of viable new industries; supply chain and markets, to better understand and respond to domestic and international market and consumer requirements and improve the flow of such information through the whole supply chain, including to consumers; natural resource management, to support effective management of Australia's natural resources to ensure primary industries are both economically and environmentally sustainable; climate variability and climate change, to build resilience to climate variability and adapt to and mitigate the effects of climate change; biosecurity, to protect Australia's community, primary industries and environment from biosecurity threats.

The June 2015 report from the Senate Rural and Regional Affairs and Transport References Committee stated just some of the gains in the agricultural sector brought about by research and development investments. In the cotton sector there was an increase in domestic cotton yields at almost three times the world average, a 95 per cent reduction in the use of pesticides, a 40 per cent improvement in the use of water, and the generation of over $2 billion in annual export earnings.

In the vegetable sector there was greater access to vital crop protection products; export development and capacity development activities have contributed to increased export of Australian vegetables, improved soil health and productivity solutions as well as innovative
soil DNA testing for potato disease. In the dairy sector the total factor productivity for Australian dairy farms increased at an average annual rate of 1.6 per cent from 1978-79 to 2010-11. While there were other factors involved, research and development provided the basis for much of this productivity improvement. Independent experts estimate the overall benefit of R&D expenditure to the levy as being in the range of 3.3 to six to one.

In the horticultural sector, the cross-benefit analysis of R&D investments undertaken within the apple and pear industry suggest the benefits of $1 invested range from $2.10 to $5.20. An assessment of Cotton Research and Development Corporation research projects has shown CRDC R&D research returns around $13 for every dollar invested to levy payers, but $30 for the wider community.

In the same Senate committee report, the Australian Lot Feeders’ Association made the observation:

In the pioneering days of Australia’s history, technology and innovation were used to overcome the obstacles faced by farmers trying to make a living off impoverished soil and very dry land. Since then, we see farmers making use of technology and innovation to remain viable players in a keenly competitive international market, while ensuring the sustainability of their social, economic and biophysical environments. Into the future, rural R&D will continue to help the agricultural sector meet the challenges associated with the rising cost of agricultural inputs, declining commodity prices, climate change and meeting the increasingly discerning needs of consumers.

Bundaberg—in my electorate of Hinkler—is home to the world’s largest macadamia processing plant and is the second largest macadamia-growing area in Australia after the Northern Rivers of New South Wales. With an estimated yield of just short of 20,000 tonnes of macadamias grown in the Bundaberg region, this industry is worth well over $100 million.

According to the Australian Macadamia Society, macadamias have one of the highest investments in research and development relative to its size of any Australian horticultural industry—more than $4 million every single year. Macadamia research and development projects have focused on improving soil and orchard floor management, disease management in macadamia, progressing integrated pest management in macadamias, regional macadamia variety trials, and optimising kernel processing for shelf life.

Other programs being undertaken by the Australian Macadamia Society are: a breeding program, which has identified new selections that are expected to outperform existing commercial varieties and one of the potential benefits from these selections include 30 per cent higher yield; a precision agriculture project that aims to improve farm operational efficiency and reduce impacts on natural resources; and research is underway to develop a functional-structural model that helps identify and prioritise the physiological processes affecting macadamia growth, yield and quality.

Another example of the benefits of research and development was a 13-year $20 million joint investment led by the Sugar Research and Development Corporation, now Sugar Research Australia, to halt sugarcane yield decline, which returned independently evaluated benefits to industry of $237 million. According to the Council of Rural Research and Development Corporations, the investment returned a benefit cost ratio of 7:1 and an internal rate of return of 19 per cent. The then SRDC led the investment and was supported by BSES Limited, CSIRO, Queensland Department of Primary Industries and Fisheries, and Queensland Department of Natural Resources and Water. The program hinged on
successfully integrating legume rotations into sugarcane production systems that involve minimum tillage and controlled traffic.

Former chairman of SRDC Mr Ian Knop said growers who implemented the farming practices reported savings of up to $500 per hectare. This represents money straight onto the bottom line of a farm business. The Sugar Yield Decline Joint Venture—a three-phase research, development and extension investment—was established in 1993 after yield decline and yield plateaus had been a concern for the sugar industry for a number of years.

Economic, environmental and social benefits from the venture included: cane yield increase after the legume crop in the cane plant crop and subsequent ratoon crops, due to improved soil health; savings of nitrogen fertiliser and its application in the cane plant crop and, in part, the first ratoon crop; reduced cultivation costs for the plant cane crop; labour savings and improved timeliness and flexibility of operations; capital savings due to lowered requirements for high-powered tractors and tillage equipment; and an overall likely reduction in any impact the cane industry could have been having on the water quality and biodiversity of proximate coastal waters and possibly on the Great Barrier Reef.

The 2011 Productivity Commission report into rural research and development corporations also highlighted how research and development could benefit consumers and the wider community. There were benefits such as: better standards of living, through cheaper and higher quality food; improved environmental amenity; and greater capacity within rural communities to adjust to changing circumstances, which may in turn reduce calls on the welfare system.

The report stated that any given R&D investment can lead to a mix of benefits for different parties:

For example, pests that cause damage to crops might also blight backyard gardens, and hence efforts by producers to prevent or limit pest outbreaks may be beneficial to others in the community. In the other direction, the provision of high quality food can generate health benefits for consumers — and insofar as this encourages them to buy more fresh produce, benefits may flow back to producers. Indeed, in many ways, benefits to producers and benefits to the community are heavily intertwined.

In summing up, it is important to note that the bill does not create levy payer registers. The distribution of levy payer information to an RDC will only happen where an RDC, in consultation with industry, requests that it occur and that request is approved by the Minister for Agriculture and Water Resources. Whether an industry sees benefit in implementing a register is a matter for each RDC and industry to consider.

The coalition government considers that the ability to hear directly from the levy payers who fund the system will result in a positive outcome for RDCs and Australian agriculture. I commend this bill to the House.

Mr McCormack (Riverina—Assistant Minister for Defence) (18:46): It is always good to follow the member for Hinkler, the Assistant Minister to the Deputy Prime Minister. I listened closely to his contribution. I tell you what, it was a lot better than the member for Hunter's effort earlier in this debate. I heard the member for Hinkler say quite clearly that, for every dollar of research and development levy money spent, $13 goes back to the farmer and $30 goes back to the wider community—and he is so right. R&D is so important, and that is why it is crucial that the Primary Industries Levies and Charges Collection Amendment Bill 2016 be passed by this parliament. This bill amends the Primary Industries Levies and
Charges Collection Act 1991 to allow for the distribution of levy payer information to rural research and development corporations, RDCs, for the development of levy payer registers.

Just as I listened carefully to the member for Hinkler, while sitting in my office a short while ago I also listened very carefully to the member for Hunter, the so-called shadow minister for agriculture, who rubbished the decentralisation of research and development corporations to regional areas. He ought to be sticking up for regional areas. He ought to be advocating for decentralisation. He is one of the alleged Country Labor members. You would think he would be coming into this place and talking up decentralisation, talking up the relocation of RDCs to rural and regional areas.

I have to say that Wagga Wagga, my home town, is the beneficiary of one of these decentralised projects. Wagga Wagga, on 10 February this year, was announced as the new home of a dozen jobs in the core function of the Rural Industries Research and Development Corporation, RIRDC, in a shake-up announced by the federal government. I welcomed the announcement.

Mr Champion: I bet you did!

Mr McCormack: I did, Member for Wakefield. Of course I did. It is jobs. You stick up for jobs in your electorate, as you should, as I do—any jobs. When it was announced, it was a dozen jobs. That might not mean much, but I tell you what, it is 12 large pay packets. It is 12 professionals. When 12 professionals of that ilk move into a city the size of Wagga Wagga—admittedly it is 66,000 people; it is a good sized city—they bring not just 12 large pay packets. Quite often they bring two or three kids, who go into the Catholic or public schools. They end up getting involved in school parents and citizens associations. They get involved in local Rotary clubs, Lions clubs and sporting groups. They contribute so much to our community. Not only was it a dozen jobs, Member for Wakefield, but, on 5 March it became 21 jobs, because there were nine additional jobs with that particular RIRDC. So there were 21 jobs in total. They will provide a very much welcome boost not just to Wagga Wagga but to the wider Riverina region.

Everyone in this place ought to know, because I have talked about it often enough—goodness knows the member for Barker has heard me say it often enough—that our region is a proud and productive agricultural hub. This commitment by the coalition government, by the Nationals in government, builds upon the region's leading agriculture research at places such as Charles Sturt University—what a marvellous institution that is—as well as ensuring more government agencies are on the ground in the regions and closer to the places where our food and fibre are grown and produced. When it comes to food and fibre, the Riverina is a leader.

Decentralisation is not just an abstract idea; it is a real priority for this government. It is a significant priority for the Nationals in government. The 10 February announcement is living proof of our election commitment being put into action, with a dozen jobs and then, on 5 March, an additional nine jobs—21 jobs in total.

The formerly Canberra based RIRDC is going to increase its regional presence. When I say 'formerly based', they will still have a presence in Canberra, in the nation's capital, but they will now be extending that to boost jobs and opportunities and prosperity in places such as Wagga Wagga, Dubbo, the electorate of the member for Parkes—what a wonderful
representative he is—Toowoomba, the electorate of the member for Groom and other areas. These RDCs are focused on rural research, including grains, fisheries, aquaculture—small and emerging industries—and are taking advantage of the National Innovation and Science Agenda that this government is fostering, enhancing and making a significant financial contribution to. So it just makes good sense to locate them away from Canberra where the boots actually hit the dirt in their respective sectors. I am very pleased that 21 jobs are coming Wagga Wagga's way.

I listened carefully, as I said, to the member for Hunter's contribution. I did not hear him talk about foreign investment. Foreign investment is good—it made this country great and it continues to make this country prosper—but it has to be in the national interest. I have to say, when Labor has a policy to have $1,000 million being the trigger point at which the Foreign Investment Review Board would look into the foreign takeover of an agribusiness or farmland, I worry. The people I serve worry. The people I represent worry.

Mr Champion: You worry?

Mr McCormack: I do worry about that, member for Wakefield and you should too. We do not need foreign takeovers that decide what the price of our wheat or our rice is going to be in a boardroom in, for argument's sake, Illinois in the United States of America. We need to have control over our agribusinesses right here in Australia. Sure, foreign capital is welcomed. It always has been. As I said, it has made this country great. But, when the Labor Party has a foreign investment takeover policy that does not even offer a trigger to FIRB until it actually passes the billion-dollar mark, I worry. I know a lot of the people out there on their tractors or in the shearing sheds, working hard and listening to parliament and to this speech—and they do—and a lot of people who will be reading the Hansard are concerned, as they ought to be.

The member for Hunter is very anti-Nationals. I cannot understand why. He should be getting on board with some of the policies, if he were a fair dinkum country representative. If he were fair dinkum about agriculture, he should actually be endorsing and not rubbish many of the policies—indeed, all of the policies—that the Nationals bring to the table. We have produced many achievements in just 2½ years of being in government, including abolishing the carbon tax and the mining tax, those job-destroying and regional-Australia-destroying taxes. We have signed preferential trade agreements with South Korea, Japan and our largest trading partner, China. They are very, very important.

We are unlocking the logjam of Commonwealth environmental laws which are impeding rural, remote and regional growth. We have a drought support package—a comprehensive package supporting farmers, particularly those in north-west New South Wales and Queensland areas which have not seen rain for a considerable amount of time. We recommended the live export of sheep, cattle and goats to such countries as Bahrain, Iran and Egypt, while rebuilding the live cattle trade with Indonesia. Wasn't that a disaster. Wasn't that an absolute diplomatic disaster. It was an economic disaster. Honestly, to do that over just a television program was an absolute disgrace and one of the worst decisions that many people have seen. It is not just me saying it; many, many people are saying it. It was one of the worst decisions that this parliament has perpetrated on the hardworking cattle producers of this country.
The National Stronger Regions Fund is already rolling out money to regional Australia. The Roads to Recovery Program enables the food and the fibre to be taken from regional areas to export markets. I did not hear the member for Hunter talking much about those—we provided $565 million in our first year alone to black spots on roads. When I talk about black spots, I also refer to the significant amount of money—tens of millions of dollars—being spent on mobile black spots. Not one cent was spent on mobile black spots during the six sorry years of Labor.

I am so glad that in my electorate we are finally funding the Bridges Renewal Program. I say ‘finally’, because Margaret Merrylees, a councillor and a wonderful local government representative for the Murrumbidgee Shire, has fought hard for a new bridge over the Murrumbidgee at Carrathool for many, many years—decades, in fact. Finally, this government, in conjunction with Duncan Gay and his New South Wales coalition government, are funding that bridge.

At the Gobarrylang in Gundagai Shire, there is another new bridge. Just recently, I announced funding for Eunony Bridge, which is a vital linkage to the Bomen industrial area at Wagga Wagga City Council. These are all important linkages which are all providing value or eliminating road network pinch points. I could also talk about the Kapooka Bridge—this side of government provided $27½ million for that. They are all important. They are linking in with primary industry research and development, which is so significant. We have provided hundreds of millions of dollars for the heavy vehicle safety projects.

I hear those opposite so often condemning the 2014 budget, but it contained $100 million for rural research and development, $15 million to support market access and $20 million in extra money for biosecurity. I have to say that biosecurity was ignored under Labor. I made a trip to New Zealand—a self-funded trip, mind you—to ensure that the potential apple blight did not come across from New Zealand apples and onto those fine orchards of Batlow. When the Asian honey bee incursion threatened our fine honey producers, what did Labor do? Nothing. Absolutely diddly-squat. They did not care, they did not know and they did not want to know.

I was very pleased to take part in the turning of the soil at Mickleham, in the member for McEwen’s electorate. I have to give him credit: he was there too and he was a supporter of the post-entry biosecurity facility just near Melbourne Airport. They are the sorts of things that our government is getting on with and doing in the R&D space in rural Australia.

The northern Australia push has been complemented by this government looking after southern Australia. Just recently, last August, farmers and irrigators in my area were told that they were going to share in $263.5 million of on-farm irrigation in New South Wales, particularly around the Coleambally area. I had the chief executive officer of Snowy Hydro, Paul Broad, a former guru with Infrastructure New South Wales, in my office this morning. He was praising the work that they do there and the fact that every single drop of water at Coleambally is accounted for. They know where it is. They know how it is being dripped out onto those wonderful rice paddies, the marvellous cotton crops and the vegetables that they grow in the huge paddocks that they supply to many wholesalers and supermarkets.

It all comes about through R&D. It all comes about because this government is prepared to spend money on infrastructure, research and development and making sure that every drop is accounted for. That is not like those opposite. All they wanted to do was make sure that every
A drop of water flowed down the rivers, down the systems and down the Murray-Darling Basin and out of the mouth of the Murray. That is all they cared about.

Mr Champion: What about Broken Hill? Tell us about Broken Hill.

Mr McCormack: I hear the member from South Australia opposite. They forget that our areas are fine producing areas. I know he originally comes from an irrigation area. I know he knows of the importance of irrigation in communities. I know he knows the importance of those farmers who provide the food and fibre that keep this nation great. It is also important that we have water reform. We are doing that. But it is equally important that this primary industries levies bill passes this House, as it will.

The DEPUTY SPEAKER (Mr Craig Kelly): Before I call the next member, I will remind the member for Wakefield that he should not continually interject.

Mr Pasin (Barker) (19:02): We should not admonish the member for Wakefield too much; he adds some colour to this place, if not intellectual rigor! It is a privilege to follow the member for Riverina. He is a staunch and strong advocate for rural Australia. It was a double pleasure to have him highlight to the member for Wakefield the important achievements of our coalition government over the course of this term. That is something which I think the member for Wakefield knows, deep down in his heart.

I rise today to speak on the Primary Industries Levies and Charges Collection Amendment Bill 2016. It is a bill of significance for many primary producers across my electorate of Barker. Barker, the agricultural hub of South Australia—that is something the member for Wakefield may take issue with, but it is a title we own—is home to some of the best primary producers in the nation. From the Riverland to the Lower Lakes and right across the region, agriculture is the most significant industry sector in my electorate. Indeed, agriculture employs more of my constituents than any other sector. From small owned family farms to large corporate enterprises running farms across the electorate, Barker is home to the full range of primary producers from beef to cheese and all manner of horticulture.

Whilst my electorate is perfectly suited for the production of agricultural produce, farmers across my electorate are constantly striving to capture the opportunities that new developments in research and development may have for their industry. Across the spectrum of primary production, the government collects levies which are directed towards R&D. Importantly, it is estimated that, for every dollar that the government has invested in rural research and development, farmers over 10 years have generated $12 in return. That is worth repeating. For every dollar this Commonwealth invests in rural research and development, farmers generate a $12 return.

This government remain committed to facilitating innovation across the agricultural sector. I think it is fair to say that farmers were the regional innovators. Having announced our comprehensive national innovation statement in December of last year, the government have laid the foundation for the transition from the mining investment boom to the new economy. It is, if you like, the mining boom to the dining boom. I echo the optimism of the Deputy Prime Minister when it comes to the healthy state of prices for primary produce across the nation, whether it is beef, sheep meat or other products which are grown and distributed to the world by my electorate.
It is against such an agenda of economic transition and innovation that this bill clears the constraints which currently block the dialogue between rural researchers and the primary producers who fund them. This bill will seek to clarify the current situation through enacting such measures as would facilitate a healthy and productive dialogue between these important partners.

The bill amends the Primary Industries Levies and Charges Collection Act 1991 to allow for the distribution of levy payer information by the Department of Agriculture and Water Resources to rural RDCs for the development of levy payer registers. Doing so enables the levy payers, the bodies that represent them and the research entities to collaborate on issues relevant to their respective industries. The information that may be distributed is the name, address, contact details and ABN of any entity that has paid, or is liable to pay, a levy or charge. The information may also include details of the amount of levy or charge that that person or entity has paid, or is liable to pay, on a leviable commodity. This will provide clarity when it comes to the size and scope of each levy payer's contribution to the research process, which in turn will enable representative bodies and research entities to better understand the state of their respective industries.

The bill allows the Secretary of the Department of Agriculture and Water Resources to permit levy payer information to be provided to the Australian Bureau of Statistics and used for the performance of its very important functions. This is consistent with the government's public data policy statement, which commits to securely sharing data between Australian government entities to improve efficiencies and inform policy development and decision making.

The bill also allows the Secretary of the Department of Agriculture and Water Resources to approve the disclosure of information given to an RDC, under limited circumstances, to another party such as to a ballot provider for a levy vote or to an industry representative body to consult on a levy proposal. However, the information must be used for an activity related to research and development or marketing, or for biosecurity or National Residue Survey purposes. Essentially, the bill delivers greater situational awareness when it comes to the primary production sector. This will enable government to better formulate policy decisions in a targeted and informed manner. The bill, in and of itself, does not create levy payer registers. The distribution of levy payer information to an RDC for a levy payer register will only occur where an RDC, in consultation with industry, requests that it does occur, and that request is to be approved by the Minister for Agriculture and Water Resources.

This bill is consistent with the government's reasonable and responsible approach to agricultural policy creation in the nation. It is only the coalition that understands the plight of rural and regional Australians and understands the importance of rational and sensible policy when it comes to agriculture. Today the coalition is delivering a better outcome for primary producers across the nation, and in my case particularly those in Barker. The provisions in this bill will provide greater clarity for our primary producers, their representative bodies and their related research entities. It has been widely acclaimed by representative bodies, such as the Cattle Council of Australia, whose CEO, Jed Matz, said:

This will have multiple benefits such as improved disease management and prevention, improved extension services, more targeted communication and policy.
The sheepmeat industry welcomes this legislation too, with the President of the Sheepmeat Council of Australia, Jeff Murray, saying:

The introduction of this legislation is an important step in empowering industry representative organisations.

He also said:

Once passed, these amendments will enable peak bodies such as SCA—
the Sheepmeat Council of Australia—
to identify the industry issues and priorities of the levy payers we represent through better engagement with them and therefore empower us to oversight levy expenditure more effectively.

These are ringing endorsements and are but a few of the multitude of organisations who have lent their support to this legislation today. Those opposite could not say the same of the endorsements they received from the primary production sector. Primary producers in this country have long memories; long memories indeed. They have not forgotten the live export fiasco that was initiated by the Labor government to halt the exports of our hardworking producers. The primary producers of Barker, in particular, have not forgotten that decision, a decision I should remind the House that was supported in the other place by Senator Xenophon.

We probably should have an award given daily for the hypocrisy of the day. My nomination today is the member for Bendigo. It would be unparliamentary for me to refer to her as the 'bleater from Bendigo,' so I shan't.

Mr Champion: Withdraw!

Mr PASIN: I will. I cannot help myself. In her contribution to the matter of public importance, which I think we should call a matter of rank hypocrisy today, she said that Labor had fixed the live cattle issue for the nation. I appreciate that mine is only one nomination for the award of hypocrisy of the day, but I think it is a strong candidate for victory, because, whilst it is true that Labor ultimately undid the harm that they occasioned on the northern cattlemen and the cattlemen of this nation more generally, it was their act and their act alone to prohibit the live export of cattle to Indonesia which caused that very harm. Effectively the member for Bendigo was seeking credit for fixing a problem that was wholly the product of Labor in government.

I think those opposite might grow tired of us continually referring to this fiasco but we must, and we must continue to remind them of the harm they wreaked to regional Australians as a result of that knee-jerk reaction, that kind of ill-informed policy making on the run that does real and substantial damage. We could draw a correlation to that kind of decision making and the decision making that has led the now opposition to come up with a negative gearing policy which would wreak the same sort of harm across this nation.

Thankfully, they are developing that policy position from opposition. If they were in government, it would be the policy today and no doubt it would be enacted into law and we would see rents increase, we would see a flood of investment into new residential dwellings that would effectively drive the price of those dwellings up, but, at the same time, effectively pulling the carpet from under existing housing stock. Owning a house in that situation, or buying one, or a house and land package would be the same as taking a new car off the lot. It would see an immediate diminution in the value of that property. The nation has learnt in
recent days that, not convinced that that was enough harm to wreak on the nation, their proposal would see negative gearing prohibited from commercial property. It would see it prohibited from margin loans. For some reason they think that the best way for Australians to work, save and invest is to make it harder for them to do those things.

I do not think it is too much of a stretch to take the kind of decision-making methodology that led us to the live cattle fiasco which led to significant harm to rural and regional Australia, and, sadly, resulted in very tragic circumstances. It is not too much of stretch to take that lack of policy development rigour and compare it to the lack of policy rigour that it takes to develop a crazy policy which would do nothing but harm hardworking Australians who have invested in property or have interests in business. At the same time, the opposition are proposing increases in capital gains tax and other taxes. They really are about putting a handbrake on our economy.

When it comes to agriculture, this government delivers policy based on consultation, not knee-jerk reactions. They are policies and legislation born of deep consideration, and methodologies that come to the right conclusion because we consult widely and we consider third-party consequences—and that is why we get the kinds of third-party endorsements that I have referred the House to this evening.

I look forward to seeing the fruits produced as a result of the new arrangements facilitated by this legislation. Through a strong commitment to innovation across the agricultural sector, this government will ensure that the future of primary production in the nation is secured for a very long time. I commend this bill to the House.

Mr HOGAN (Page) (19:15): I rise to speak on the Primary Industries Levies and Charges Collection Amendment Bill 2016. I commend the previous speaker, the member for Barker, for a wonderful contribution to this debate.

This legislation is about primary industries. I know because of the seat that I represent, and I want to reinforce—because sometimes it is forgotten—just how important the agricultural sector is to not only rural and regional areas but also the wider country of Australia. The primary industries sector has had a couple of great years because of the many things that this government has done, not least the free trade agreements we now have with China, Japan and South Korea, as well as the Transpacific Partnership Agreement, which are opening markets for our industries in many other parts of the world and, in parts of the world where we already are, making access easier through lower tariffs.

That has already had a real impact on my local community, because all of the rural industry sectors across my community, whether they be beef cattle, dairy, sugar, macadamias or blueberries—I could go on—are getting better farmgate prices. A lot of them have had good seasons as well. That has had a real impact on our towns, because those sectors have better cash flow and they are employing more people, and so, when those people come into our towns, they are spending more money, which is obviously good for every small business in our community as well.

As a coalition, particularly as members of the Nationals, we have always had a focus on and an interest in making sure that these sectors do well and flourish, and these achievements have had a real impact on and are causing some great flow-on effects for our regional communities.
Australia is a competitive country in agriculture because we have always exported a lot of what we produce. Mr Deputy Speaker Kelly, I am sure you would be interested to know that, like other sectors in my community, the local abattoir—which by the way is the biggest private employer in my community, employing over a thousand people—export close to 70 per cent of what they process. The local macadamia industry also exports close to 70 per cent of what it produces. There is a blueberry producer who is developing a huge venture at a place near Tabulam. He has a window to access and provide blueberries to the Chinese market that other people do not, just because of the seasons. These are really export-orientated businesses, and, when you are an export-orientated business, of course you have to be competitive, because you are competing against the rest of the world in those markets.

Australia's rural industries have always been recognised as being among some of the most innovative and productive in the world, and continued investment in rural research and development is vital to ensure ongoing growth and improvement in profitability and the competitiveness of our agriculture, fisheries, forestry and food sectors. In recognition of this, we have worked closely, as the member for Barker said, with industry to co-invest in research, through our world-leading R&D system, and much of this work is delivered through the 15 rural research and development corporations. These RDCs provide a mechanism for industry participants to come together and invest collectively. We have assisted by establishing and collecting a levy on behalf of an industry, if the industry requests this. The government also matches an RDC's eligible R&D spending up to a legislated cap. It is estimated that, for every dollar that the government invests in rural R&D, farmers generate a $12 return over 10 years. That is a wonderful return on the taxpayer dollar.

Feedback from primary producers is an integral part of how RDCs work. They are required to consult with industry on their activities and to give those who fund the research via levies an opportunity to provide input into the strategic direction of the corporation. Recent reviews and inquiries—including the Senate Rural and Regional Affairs and Transport References Committee's inquiry into industry structures and systems governing levies on grass-fed cattle, and its inquiry into industry structures and systems governing the imposition of and disbursement of marketing and R&D levies in the agricultural sector—have identified improved consultation with levy payers as key to the ongoing strength of Australia's rural R&D system. Several of these inquiries recommended that the establishment of levy-payer registers would offer a way for RDCs to consult more effectively with the primary producers who fund them.

The government agrees that levy payers should have more of a say in how their levy funds are spent. RDCs should know who their levy payers are. Levy-payer registers would provide RDCs with the ability to identify and consult directly with the levy payers on what they perceive the research priorities to be and where they want the levy expenditure to go, and therefore allow the RDCs to accurately and efficiently allocate voting entitlements, where this is relevant.

This bill makes possible the establishment of levy payer registers by RDCs by amending the Primary Industries Levies and Charges Collection Act 1991. As it stands, the act only permits the distribution of levy payer information to the wool and dairy RDCs. This bill remedies this by allowing the government to provide levy payer information, for the purposes of a levy payer register, to the 13 other RDCs. The bill removes the legislative impediment to
the development of levy payer registers. However, recognising that a one-size-fits-all approach would not be appropriate given the diversity of Australian agricultural industries, the bill allows for the distribution of levy payer information to an RDC to occur only where an RDC, in consultation with industry, requests it, and that request is approved by the minister. The department would then work with the RDC on the administrative design and development of a register. This is consistent with the government's approach to the broader R&D levy system, which is centred on industry support.

The bill also allows the Secretary of the Department of Agriculture and Water Resources to permit levy payer information to be provided to the Australian Bureau of Statistics. This is consistent with the government's public data policy statement, which commits to securely share data between Australian government entities to improve efficiencies, and inform policy development and decision-making. The bill maintains current practices for distribution of the name and address of the person or body that lodges levy returns with the department to RDCs, industry representative bodies and others. In limited situations, the person that lodges returns is also the levy payer—for example, in the turf industry.

The bill does not permit secondary disclosure of information included in a levy payer register, except in limited circumstances and where expressly permitted by the secretary in writing. This aims to protect the integrity and security of levy and charge payers' personal information. Where an eligible recipient is permitted to disclose levy payer information to a secondary recipient, that person or body may only use the information for restricted purposes relating to R&D, marketing, biosecurity or the National Residue Survey. Where levy payer contact details are to be provided to an industry representative body, the administrative arrangements will enable levy payers to choose to opt out and not receive information.

The passage of this bill is the first key step in allowing for the development of levy payer registers, making it possible for the RDCs to identify and connect directly with those who fund their work. Through greater levy payer engagement in the R&D system, RDCs will be able to better align research investments to industry priorities, improving returns to primary producers and contributing to a more profitable, competitive and sustainable agricultural sector. We will work with the RDCs and industry to make this happen. The government is committed to an Australian R&D system that remains transparent and consultative and delivers tangible benefits to our very valuable and very important agricultural industries into the future. I commend the bill to the House.

Mrs MARKUS (Macquarie) (19:26): The Primary Industries Levies and Charges Collection Amendment Bill 2016 amends the Primary Industries Levies and Charges Collection Act 1991. This bill makes possible the establishment of levy payer registers by RDCs by amending the Primary Industries Levies and Charges Collection Act 1991. As it stands, the act only permits the distribution of levy payer information to the wool and dairy RDCs. This bill remedies this by allowing the government to provide levy payer information for the purposes of a levy payer register to the 13 other RDCs. The bill removes the legislative impediment to the development of levy payer registers. However, recognising that a one-size-fits-all approach would not be appropriate given the diversity of Australian agricultural industries, the bill allows the distribution of levy payer information to an RDC to occur only where an RDC, in consultation with industry, requests it and that request is approved by the minister. The department would then work with the RDC on the administrative design and

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development of a register. This is consistent with the government's approach to the broader R&D levy system, which is centred on industry support.

In the electorate of Macquarie we have apple growers and some significant mushroom growers—one of the largest privately owned mushroom growers is in the electorate of Macquarie—and of course we have other agricultural industries such as winegrowing. Recent reviews and inquiries, including the Senate Rural and Regional Affairs and Transport References Committee inquiry into industry structures and systems governing the imposition of and disbursement of marketing and research and development levies in the agricultural sector, have identified improved consultation with levy payers as important for the ongoing strength of Australia's rural R&D system. Several of these inquiries recommended levy payer registers as a way for RDCs to consult more effectively with the primary producers who fund them.

The government agrees that levy payers should have more of a say in how their levy funds are spent. RDCs should know who their levy payers are, and levy payer registers would provide RDCs with the ability to identify and consult directly with levy payers on research priorities and levy expenditure, and to accurately and efficiently allocate voting entitlements where relevant. This is certainly important to the producers in my electorate that have spoken to me about their levies and how they are spent. As it currently stands, the legislation does not allow for levy payer information to be distributed by the department to RDCs except in the wool and dairy industries. This bill remedies this by making it possible to provide this information to the other 13 RDCs.

Debate interrupted.

**ADJOURNMENT**

The SPEAKER (19:30): It being 7.30 pm, I propose the question:

That the House do now adjourn.

**Employment: South Australia**

Mr CHAMPION (Wakefield) (19:30): Over the last week and a half, and I suppose the last year, what we have seen is a government which is suffering from a blue-collar revolt. We have seen a government that has completely forgotten about Tony's tradies, about blue-collar workers and about working-class communities. It has completely forgotten about the nation's vital industries, and we now find a government that is on the ropes. It has a jobs embassy out the front of Parliament House, where MUA members from the MV Portland—and I share their cause with them. They were dragged off the ship in the middle of the night by security guards—off their place of work—so that their work would go elsewhere. It is a disgraceful and disgusting reflection of this government's attitude to maritime workers and seafarers.

We see the same thing going on at the Whyalla Steelworks. We see the same contempt and the same attitudes at work there from this government. We had the member for Sturt bragging that he had saved Whyalla—that is what he told the Adelaide media last Wednesday night. But there was a delegation of Whyalla steelworkers in the House today, pleading for the government to do the right thing on procurement, contracts, antidumping and co-investment. They were led by Mr Eddie Hughes, the state member for Whyalla, Steve McMillan from the AMWU along with Andrew Mayne, who is the AMWU delegate at the Whyalla Steelworks; Scott Martin from the Australian Workers Union and Stewart Munro, who is the AWU
delegate at that site; Greg Warner, who is a CFMEU official, and Brad Prince, who is a CFMEU delegate at the steelworks; Bill Mitropoulis from my own union, the CEPU and Leigh Fewster, who is an electrician and delegate at the steelworks.

We know that all of those workers did not come to Canberra because they love the place—they like making steel in the steel city—but they came here because they want to send this government a message about supporting blue-collar workers and blue-collar communities. It is about time the government listened; it is about time the government fulfilled its obligations as part of the member for Sturt's rhetoric to back in these blue-collar workers.

We have also had another ship building delegation, led by Glenn Thompson, an indefatigable champion for shipbuilding in this country and the AMWU's national secretary in this area. We had David French, John Primrose, David Powles, David Coulchard, Glen Dallimore, Ian Tanner, Ori Gasparini, Rosco Williamson and Matthew Primo all here in the building backing in Australian shipbuilders, their skills and their capacities to do their job of building ships in this country. They are second to none in this country and around the world in their dedication to their work and in the skills they apply to that work. They should not be badmouthed by this government, which said that they could not build a canoe. They should not be badmouthed by the current Minister for Defence, who says that we do not have the capacity in this country to build ships. We do.

What has happened is that this government has been exposed by, of all people, the Spanish press—

Mr Tudge: What did you do?

Mr CHAMPION: I hear those opposite ask, 'Well, what did you do?' I will tell you this: the shipyards were full when we were in government. What happens now?—

Mr Laming: What did you build?

The SPEAKER: The member for Bowman!

Mr CHAMPION: The shipyards are emptying, the workers are being laid off. Those opposite can interject all they like, but they have to realise that you have to own your own work. You are the ones who sent the supply ships to Spain and so you should own it. We are going to make you bleed through the eyes for this decision—(Time expired)

Bowman Electorate: Workplace Relations

Mr Laming (Bowman) (19:35): I hate to correct my opponent, but you do not bleed through eyes at all—there is no such thing, like much of your argument. I would have loved to see you build anything in Defence while in government, but that did not happen. But let's go to further misrepresentation, and I am glad that we have you in this chamber, Mr Speaker. What we saw today was a terrible misuse of young people by the leader of the Opposition, who trotted out two vulnerable workers, who, according to him, had been harmed and needed to be protected. Nothing could be further from the truth. First of all we had a worker—the Labor changes will not protect him because he works in small business. More concerning, the Leader of the Opposition brought forward a worker from my electorate of Bowman and referred to this person as 'vulnerable' and 'desperately needing Labor's protection'. Where this individual works—and this will be news to the chamber—the workers are fully united behind the management. It is a very effective sports club with a strong spirit and there is absolutely not one sinew or moment of misuse or poor treatment of workers.
Yes, there is one unhappy worker, but that is not the same thing. Coelho said that:

Anything that happens once will never happen again. Anything that happens twice will surely happen a third time.

We have one or two examples in every workplace of unsatisfactory relationships, but let's be honest about what happened here in the Capalaba Sports Club. This was an arrangement for 38 hospitality staff and a new wage agreement was introduced from interstate. The wage agreement had actually been approved by Fair Work Australia the previous year. It was not just approved by some disreputable commissioner; this was approved by a commissioner of Fair Work Australia who was the boss of Unions NSW. That is right—it was a Labor-approved commissioner who approved the agreement that was brought to this club where this young worker, who was trotted out by the Leader of the Opposition today, came from. There was every punctuation mark of correct approach in introducing that new system, with appropriate emails, messages, signs, meetings. All of that was followed to the letter. The claim that this person was sacked on the spot has never been substantiated, but there is a mountain of evidence to show that procedures were followed appropriately.

About this agreement that was approved by Unions NSW, where case studies were introduced—

_Opposition members interjecting—_

**Mr LAMING:** And you may smirk on the Labor side, but you approved it through Unions NSW. Case studies showed that workers were no worse off. This opposition hates hearing that—no worse off. The first lie was that no penalty rates were paid. But, in that agreement, penalty rates were paid; they just were not as high. It is impossible to get Labor to admit that. In return for that, the base wage was increased. That is how a case study is shown to a commissioner and ticked off by Fair Work Australia.

So what was the first thing that Labor did up there? You always say that the coalition never wins an industrial relations debate. Well, they managed to find the stupidest exponent of industrial relations on the Labor side—the local state member, who could not, for the life of him, calculate a penalty rate. This is a Labor union MP from the seat of Capalaba who, when it came to calculating a penalty rate on a Sunday, doubled the 25 per cent loaded amount and got the wrong rate. Not only did he make the mistake but he promulgated that figure all over social media. Ultimately, he was forced to retract and apologise. You know what? You may not be able to calculate a penalty rate but you will find a job as a Labor state MP.

Then we had the claim of staff being $5,000 worse off. Never substantiated. The only way you could possibly be worse off is if you were a hypothetical staff member who only worked on public holidays. But at the Capalaba Sports Club, all 38 of them are full-time casuals working four to five shifts a week, and they are no worse off. So what does the union do next? Home visits. They found the home addresses of staff at that club by either using the electoral roll of the state MP or raiding that club and taking pay slips. They knocked on the door of young teenagers and asked their parents if they would be interested in getting thousands of unpaid dollars back off that nasty club—all of which was fabricated. Thank God those parents turned them away; they professed to be union investigators. Lastly, we had a invited visit from the Fair Work Ombudsman, who was able to fully evaluate this in an independent fashion.
In the end, it all went away. The worker went and found a job somewhere else. The Fair Work Ombudsman completed the case. Then, fronting a tsunami of legal action in the federal court, the club decided to pull out. And that is the end of—(Time expired)

Ride-sharing Services

Mr BYRNE (Holt) (19:40): I rise tonight to again raise concerns on behalf of the Victorian Taxi and Hire Car Families Group about the operations of Uber in Australia. It has been disturbing to hear that a recent Senate inquiry revealed that Uber, with a capitalised worth over $60 billion, paid just over $403,000 in tax in Australia over a three-year period. Moreover, according to an article in the Sydney Morning Herald, 25 per cent of each Uber transaction in Australia is routed through the Netherlands, bypassing Australia.

The Australian taxi industry is currently playing by a set of rules set by governments across the country. It pays insurance, it pays WorkCover, it pays taxes like the GST. These conditions do not apply to Uber. It is clear that the taxicab board and those associated with it, and the Victorian Taxi and Hire Car Families Group believe that whilst Uber is allowed to exist in Australia it should be playing by the same set of rules as the Victorian taxicab board, the taxicab owners and those who drive the cars.

The Victorian Taxi and Hire Car Families Group has welcomed the NT’s decision to ban Uber. That is consistent with what a number of other countries that have done such—they have banned elsewhere. They are concerned, understandably, with the ACT, New South Wales and Western Australian state governments’ decisions that have allowed Uber to become legal in those states. I understand that the Victorian government, as well as other state governments, is about to make a decision on the status of Uber.

The Victorian Taxi and Hire Car Families Group would like the following matters to be raised by legislators before decisions are made about Uber. Firstly, if UberX is regulated then it must be classified as a hire car transportation vehicle and, thus, comply with all hire car rules and regulations. This means that owners of each vehicle pay either a $40,000 hire care licence or, alternatively, a $10,000 annual rental fee. UberX vehicles should also be required to install visible hire car number plates to ensure that all vehicles are properly regulated.

Secondly, the group has also requested that the current knowledge test be reviewed as a matter of urgency so that drivers have more support to pass the test if they wish to be a taxi or hire car driver. UberX drivers should also be required to pass this test, as well.

Thirdly, it is vital, especially from a security and privacy perspective, that governments look at the Uber application—the app—to make sure that it is not taking and storing customer information. The Victorian Taxi and Hire Car Families Group is rather concerned about the Uber app and its potential to access people’s private information, including politicians and public servants who use Uber and the app. We are not quite sure where that information is being stored. That does have security concerns for those who actually use this particular application. It has not been raised or dealt with by Uber, but it has been raised by taxicab drivers.

Fourthly, this group would like to see Uber drivers lose demerit points and be fined if they do not abide by Victorian hire car rules and regulations, as this would be the best way to properly regulate Uber and ensure that Uber drivers comply with the government regulations. It is also this group’s view that, if UberX is made legal it must ensure customer safety. It is a
key concern. It is like not having a safety check on a jet. In most states, there are police checks on taxi drivers and mechanical checks, and there are camera screens, GPS and emergency call buttons in their taxis. If UberX is made legal, then it is vital that it abides by all the hire car customer safety rules. As I have said, basically what they want is a level playing field. These are decisions that are being made in this field of new and emerging technologies.

One area that is of some concern to me as a legislator, and as someone who has dealt with the Victorian Taxi and Hire Car Families Group, has had representations from Uber and has heard some of the arguments that are being put forward, is that I think there is a perception that they need not play by the rules and that they can pressure and force governments to abandon standards that apply to Victorian and national taxi cab and hire car families and groups and people that I knew.

Another thing that really concerns me is the methods that are used by those associated with Uber—whether ex-political staffers or not—to influence politicians. I say to them: listen clearly. If you continue to do this, I will drag you through this place. I will name you and I will name the tactics that you are using to influence legislators. We do not get influenced by force. We do not get influenced by intimidation. (Time expired)

Ms LANDRY (Capricornia) (19:45): I rise once again in the House to advocate for the raising of Rookwood and Eden Bann weirs near Rockhampton. Capricornia faces a major jobs crisis due to the coalmining downturn, tough times for small business and a reduction in tourism visitors. What we critically need is key water infrastructure to secure future growth, jobs and exports for our agricultural sectors and to unlock our city's full potential. For some time now I have been advocating for Commonwealth funding to kick-start the raising of Rookwood and Eden Bann weirs on the Fitzroy River. These projects would create thousands of potential jobs related to agriculture, small business, construction and advisory services.

Recently I took the Prime Minister and the Deputy Prime Minister and Minister for Agriculture and Water Resources over the Rookwood site so that they could learn more about the benefits of the project firsthand. The Prime Minister indicated that Australians are inspired by the development of water infrastructure. Rookwood is indeed a nation-building project. We are a hot dry continent—the driest in the world. While we cannot make it rain, what we can do is build water infrastructure that can allow vast amounts of water to be piped to locations that previously could not sustain major irrigated industries. Rookwood allows for water to be used for new agricultural pursuits in the Fitzroy corridor near Rockhampton.

But this is not just about Rockhampton. Rookwood is about a joint regional city approach to solving water storage issues in Central Queensland. Central Queensland's Fitzroy River corridor is the second biggest inland catchment area in Australia, offering vast amounts of water. Experts say that one technical problem is that the area is naturally shallow when it comes to storing this water at great depth. Rookwood offers a unique solution. Water can be harnessed here and piped to the Awoonga Dam near Gladstone—a very deep holding point. From there it can be piped further afield to inland areas like Biloela. This serves to further justify investing in Rookwood. By focussing on a joint, multicouncil, multiregional solution we can use the Fitzroy project to expand industry and agriculture in vast areas that we could not develop before.
Some politicians are convinced that the Nathan Dam project is Queensland's best water project to fund. However, I, along with many experts and water researchers, disagree with that sentiment. Nathan Dam has many flaws when compared to Rookwood near Rockhampton. By comparison, Rookwood alone has the ability to provide as much as 86,000 megalitres of water for agriculture, industrial and urban use, which is far more than Nathan Dam would provide. Rookwood is affordable. The cost of Rookwood alone would be about $300 million compared to the debt burden of Nathan Dam, which is estimated to cost at least $1 billion.

Nathan Dam would have a greater footprint, which would impact on the environment. Nathan Dam would also fail to secure water supplies for urban development in Yeppoon, Rockhampton and Gladstone. This is alarming, as studies show that these cities could potentially run completely out of water at least twice a century. Importantly, for hardworking families doing it tough in Capricornia, the Nathan Dam site is too far away from the footprints of cities like Rockhampton and Yeppoon, where job creating infrastructure is urgently needed.

Sound research shows that Rookwood and Eden Bann weirs have the potential to double agricultural production in the Fitzroy basin, create an additional 2,100 jobs, boost additional services and secondary industries by a multiplier of three and guarantee future water security for urban and industrial use in the Gladstone, Rockhampton and Livingstone shires. Significantly, I have already laid the groundwork by successfully lobbying to get the Fitzroy Agricultural Corridor—that is, Rookwood and Eden Bann—listed on both the government's green and white papers on Northern Australia and the expansion of Australia's agricultural diversity.

**Workplace Relations**

Mr BRENDA ON'CONNOR (Gorton) (19:50): I rise to raise concerns about the government's failure to respond to worker exploitation in this country. As has been clear for some time now, there have been a growing number examples of exploitation in the labour market—and not just by fly-by-night companies. There have been very significant forms of exploitation, and some very significant household company names have been associated with this conduct. We have seen very significant, large-scale underpayments by 7-Eleven franchisees, amounting to at least tens of millions of dollars, if not more than tens of millions of dollars. We have seen Pizza Hut delivery drivers being paid $6 an hour—almost one-third the minimum wage. We have seen subcontractors for Myer being determined to be contractors but who had, in fact, been subject to sham-contracting arrangements, which shifted the cost of workers compensation and other costs to very low paid workers. That matter has been resolved to a certain extent, but we have seen many, many other examples.

As a result, Labor has responded by announcing policies that will redress many of these problems: firstly, by increasing civil penalties for intentional and systematic underpayment of workers in this country. We have also looked at pursuing directors of companies where deliberate phoenixing arrangements have been in place. This is where companies have exploited workers, underpaid them—in some cases, they have also owed other creditors money—and then liquidated the company, only to set up a new company in the same sector of the labour market and start to do the same thing again. Too many people have not been liable for such intentional conduct, and we will pursue those directors when they act in such a manner. There are, indeed, other provisions, including even criminal sanctions for the most
egregious conduct that is more akin to modern slavery. We have criminal coercion occurring in very limited circumstances, I am glad to say, but it does occur and we need to look at those matters and respond in kind.

I also need to respond to some of the contributions made in this adjournment debate by the member for Bowman, who called into question the comments made by a young woman today at a press conference with the Leader of the Opposition, in which she outlined her own story. Her name is Samarah Wilson and she indicated that she was working at Capalaba Sports Club in Queensland. She was working there happily until her employer told her that she and every other casual were to be outsourced to a labour hire company called Hospitality Act, which is a subsidiary of AWX. She said that, during this process: 'We were moved off the award and were having to sign a new agreement. We were effectively signing away our rights to receive penalty rates for weekends, nights and public holidays. That meant a pay cut of $5,000 to me. I am a full-time student and I work nights and weekends to put myself through university, to put fuel in my car and to buy my textbooks, so the penalty rates are really important to me. I didn't think what was happening was fair or just and I didn't even know why they were doing it or what they were doing. I refused to sign the agreement and I lost my job.'

These things are happening. This level of exploitation is happening across our labour market. The government has been deafening in its silence in response to these matters. I pay tribute to some of the media outlets, including the ABC, Fairfax and others who have brought these matters to the attention of their listeners and readers. These are serious matters. We do not want to see people exploited in their workplaces. We certainly do not want to see good employers losing their competitive advantage to rivals who are acting unlawfully, improperly and, I would argue, immorally.

Therefore, it is absolutely vital that the bill that we introduced into the Senate this week be debated and passed. Of course, the Greens and the coalition have worked together to stop that debate happening. That is a very unfortunate situation, given the importance of this matter. It really does underline both the tawdry deal between the Greens and the government, and the failure of the government to respond to this very significant matter of public interest.

**Groom Electorate: Investment**

Mr Ian Macfarlane (Groom) (19:55): I rise tonight to speak about a far more positive topic and the centre of the universe, which is my electorate of Groom, particularly Toowoomba and the Darling Downs, an area that I have grown very fond of since I moved there to take up a position with GrainGrowers for three years in 1991. As my time as the representative of that wonderful seat draws closer to an end, I would like to say how proud I am of the way that region is performing. Not everyone is fortunate enough to have the sort of people who make a town, a city or a region great, but Toowoomba is endowed with people and companies that seem to think that there is no other place they would ever want to invest in to see the city grow.

The long-established Wagner family, who started in business by making gravestones out of granite, recently completed a $200 million airport. Not only has it been operating flights to Sydney during most of last year, but flights to Melbourne have now opened. Toowoomba is now being connected to the whole world through those direct flights because, if you fly to Sydney or Melbourne, you can then fly anywhere in the world. But the real economic drive out of that airport will be the opportunity to export Australia’s clean green produce from those
farmers who I was so proud to represent before I came into this House and who, in fact, I still represent.

There is an investment of half a billion dollars being made to build a new shopping centre in Toowoomba. When I talk about that in cities and country centres around Australia, people are just amazed that anyone would make an investment like that. In fact, the Queensland Investment Corporation probably has more confidence in the Toowoomba and the Darling Downs region, and more particularly in the shoppers of that region, than I do. My wife is one of those expert shoppers, and she has trained her daughters well, so I can vouch for the opportunity that is presented! Seriously, to see that sort of investment going on in a city of 130,000 people is mind-blowing. Of course, as they say in the ads, there is more!

This government has committed almost half a billion dollars in the two decades going forward in the recent defence white paper to ensure that the Defence installations—the Army aviation base, or Swartz Barracks as it is known, and the Cabarlah signals unit, and I will not tell you what else they do—have the equipment, the opportunity and the facilities to make sure that Australia's defence is sound. Those two facilities, which have a history that goes way back into the pre-Second World War era, play an important role not only in the nation's defence but also in ensuring we have high-calibre people brought into our region whom we can then poach from the Defence Force and keep to grow our own economy when they feel they have had enough time playing a very important role in defending this country.

Of course, no discussion of Toowoomba would be complete without mention of the Toowoomba Second Range Crossing, which has probably been talked about in Toowoomba for some 40 years. In reality, it took a coalition government, state and federal, to make the commitment to build it. It is a $1.7 billion project and the largest inland road project ever built in Australia. Forty-two kilometres of greenfield road will take 4,000 to 5,000 heavy vehicles a day out of the main street of Toowoomba. It will change the whole complexion of Toowoomba, but again, in an economic sense, it will make a vast difference to the way in which our region can develop economically. By 'develop economically', I mean it will continue to drive the amazing amount of growth that is going on in our region.

About $1.5 billion a year comes to Toowoomba from the coal seam gas industry, an industry which has transformed the economic make-up of the rural areas I used to represent. Those sorts of economic changes are going to continue.

Toowoomba does boast—and we do boast a little, occasionally—an unemployment rate of four per cent, which is a rate that most cities in Australia would give their eye teeth for. But it has not come easily. It has come not only through strong government policy from the coalition but from families and individuals who have been prepared to put their money where their mouth is and make Toowoomba and the Darling Downs a better place.

The SPEAKER: It being 8 pm, the debate is interrupted. The House stands adjourned until 9 am tomorrow.

House adjourned at 20:00
CONSTITUENCY STATEMENTS

McEwen Electorate: Solar Towns Program

Mr MITCHELL (McEwen—Second Deputy Speaker) (09:30): Today I rise on behalf of the communities of Sunbury and Macedon Ranges to voice their disappointment at the Turnbull government's broken promise on funding for rooftop solar energy. In the 2013 campaign, the Minister for the Environment attended a function with the Liberal candidate for my electorate of McEwen and announced an election commitment of $300,000 in rooftop solar funding. Not only was the announcement made at Boardman Stadium in Sunbury—and I have a nice little picture here of the minister and the candidate—but the minister himself tweeted that photo, saying, 'Sunbury solar town to cut electricity costs at community sports stadiums'.

You can imagine the not-for-profit sector would have been ready to jump on board with any opportunity to reduce their operating costs, but they have been predictably let down by the Abbott-Turnbull government. After they had waited more than two years for the Abbott-Turnbull government to deliver its promise, the Minister for the Environment finally opened the third round of Solar Towns funding, which would finally include these two areas in which the original election commitment had been made. The round 3 funding announcement was made with little fanfare under the cover of the Christmas-New Year period. I have heard mozzies buzz louder than the department's advertising on this round. If you blinked, you would have missed it. In fact, most organisations in the electorate almost did miss it. They were contacted directly by local councils and encouraged to apply for funding close to the closing date.

Not only did the minister and his department fail these communities by making sure the announcement was low-key; they deceitfully changed the application rules. The application process required not-for-profit community organisations to run a gauntlet of red tape so onerous that it would deter even the most determined of volunteers. How does such a process get approval when the Abbott-Turnbull government makes such a song and dance about its deregulation agenda and removing red tape? It also specifically excluded local governments like the Hume City Council and Macedon Ranges shire from applying. Not only would these organisations be best equipped for dealing with this bureaucratic hurdle; they also own most of the property and facilities that not-for-profit community groups use. As I predicted in this place on 14 October 2015, this conveniently blocks a significant portion of volunteer organisations from making an application for the funds. Interestingly, it means the very building that the minister made the announcement in is ineligible.

It is an absolute disgrace. If I were being generous I would say it was an oversight, but, let us be honest, it is this government. I would suggest the changes in the application process and bureaucratic roadblocks were intentional deterrents—but it is a good thing that I am not enough of a cynic to think these things.

What communities like those in Sunbury and Mount Macedon want to know is: why did the minister and Liberal candidate mislead the shires into believing this promise would be
delivered? Why did this government explicitly exclude these shires from accessing the grant, especially when they are in the exact location of the commitment announcement? It is pretty clear that the minister, the candidate and Malcolm Turnbull cannot be trusted at their word. We will not forget this deliberate act of deceit.

Giles, Mrs Joan

Ms LANDRY (Capricornia) (09:33): Recently I had the honour of taking flowers to Yeppoon resident Mrs Joan Giles. Joan turned 100 years old on 11 March. To mark her 100th birthday she received messages from the Prime Minister and the Queen.

Joan is a delightful centenarian with an amazing memory and a life full of stories. Joan Giles was born in Cootamundra, New South Wales, on 11 March 1916. When Joan was born it was the height of World War I and Billy Hughes was the Prime Minister of Australia. Australia's population was about 4.9 million and one of the most popular songs was *Yaaka Hula Hickey Dula*, or the *Hawaiian Love Song*.

Joan left school aged 14. Many years later she married her husband, Len, who sadly passed away 21 years ago. In their early days the couple moved to Queensland and owned farms in the Biloela and Jambin districts. Joan remembers the onset of World War II and she ran the family farm with her children while her husband was at war. At one time the family had 8,000 chickens on their farm and supplied the famous Orion Cafe in Rockhampton with 400 chickens a week in the 1960s.

In 1966, when Joan reached the half-century mark and turned 50, Harold Holt was the Prime Minister of Australia. Australia's population was about 11.9 million. Nancy Sinatra's *These Boots Are Made for Walking* was topping the music charts, along with the Beatles, and our pounds and shillings were replaced by decimal currency made up of dollars and cents.

Joan moved to Yeppoon on the Capricorn Coast in November 1970 and still lives there today. Joan has four children: Elizabeth, sadly deceased; Brian; Janette; and Richard. Interestingly, now that Joan has turned 100—in March 2016, marking a full century—Malcolm Turnbull is our Prime Minister and our population is about 24 million people. One of the number one songs is *1955* by the Hilltop Hoods and the iPhone 7 is on its way. According to the Australian Bureau of Statistics, more Australians than ever are reaching the century milestone. The ABS say, judging from recent figures, they expect more than 4,440 Australians to turn 100 in the near future. Happy birthday, Joan, and happy birthday to all centenarians in Australia this year.

Charlton Electorate: Clean Up Australia Day

Mr CONROY (Charlton) (09:36): I would like to inform the House of some great work that was done in my electorate of Charlton during the recent Clean Up Australia Day. True to the nature of these annual events, I saw the pride Charlton residents have in our beautiful home on the western side of Lake Macquarie.

To start with, I wish to warmly thank some of my youngest constituents, the students in kindergarten to year 6 at Speers Point Public School. Students took time out from the classroom to learn about waste management on 4 March, a day when schools across the nation strive to tidy up. With the Principal, Chris Payne, and the organising teacher, Di Wood, extending an invitation for me to join the occasion, I am pleased to report that I picked up my fair share of litter. They breed ‘em tough in Charlton. The kids were fascinated by the
discovery of a discarded snake skin. This was not quite what we were looking for but it was a surprise and it was added to their science program for the next week. It was wonderful to see the children's interest, which was a testament to Chris, Di and their peers, as they expanded on what they were learning through Speers Point Public School's environmental programs. These initiatives investigate the relationship between what Australians do, the impacts on our ecosystem and sustaining our natural resources.

Just around the lake, to the south, Stephen Dewar of the Toronto Area Sustainable Neighbourhood Group has been a constant advocate of environmental awareness in both Charlton and Shortland. He truly has his footprint on both sides of Lake Macquarie. This year the neighbourhood group's commitment to sustainability has strengthened as Steve and his peers targeted fast-food litter in the region for Clean Up Australia Day. As Steve has imparted to the people of my area, in their fast-paced lives some Australians may carelessly discard fast-food rubbish from their cars. Signs around Toronto discouraging waste are part of the neighbourhood group's mounting campaign 'Tossers can be binners'. To stop litterbugs disposing of refuse on the run, Steve has partnered with McDonalds in Toronto to send a clear message about waste, and they did this on 6 March. I want to thank McDonalds and the other restaurants in the Toronto area who have joined this worthy initiative. Joining Steve and the members of the group, I took part in the start of this event to clean the streets surrounding the restaurant.

I acknowledge and thank Speers Point Public School and the Toronto Area Sustainable Neighbourhood Group for their participation in Clean Up Australia Day. I am privileged to have been invited to be part of their efforts. Lake Macquarie in my electorate flows into the Pacific Ocean, so it is with pride that I can say the residents of Charlton are contributing not only to the health of our local environment but also to the health of our oceans and the planet. The lake has never been healthier. When I was recently at Belmont wharf, in the Shortland electorate, I saw many schools of large fish swimming directly under the wharf. It is a tribute to local environmental groups, local communities and the council that this lake is now almost pristine and a great environmental jewel in our area.

**Cub Scouts 100th Anniversary**

_Mrs McNAMARA (Dobell) (09:39):_ This is an exciting year for Cub Scouts as they celebrate their 100th birthday. The Scout Association was created by Lord Robert Baden-Powell in England in 1907 and the Boy Scouts Association came to Australia a year later, in 1908.

When Baden-Powell created the Scouts movement, it was a program for boys over the age of 11. Soon younger brothers wanted to be part of this grand adventure, but there was no organisation to meet this. So, as early as 1913, Baden-Powell was working out a program for the younger boys who kept turning up with their older brothers at Scouts. He did not want a watered-down boy Scouts but a movement in its own right, with its own identity and program. In 1916 he published his outline for such a scheme, and it was to be called Wolf Cubbing. Cub Scouts packs are for boys and girls aged between seven and 10, and Baden-Powell dubbed the young Scouts Wolf Cubs after being inspired by Rudyard Kipling's *The Jungle Book*. Fortunately, he knew Rudyard Kipling and asked if he could base his new scheme on *The Jungle Book*, and Rudyard Kipling was happy for him to do so. Most packs still have a
Jungle Book night, and they have to know these origins, and Cub leaders are traditionally named after characters in the book.

Scouts have now expanded to over 200 countries, with 400 million members. Baden-Powell's original Boy Scouts model was based on his own experiences in the military teaching older boys to survive in the bush and encouraging the development of their general life skills. Boy Scouts of Australia was renamed Scouts Australia in 1979, and both boys and girls were able to get involved. Scouting is hugely popular with young people on the Central Coast, with 23 Scout groups scattered across the region. These groups are made up of around a thousand uniformed members, including almost 350 Cub Scouts. There are seven active and popular groups in the Dobell electorate. They are the 1st Tuggerah Lakes, 1st Tumbi, 1st Berkeley Vale, 1st Ourimbah, 1st Kanwal and 1st Noraville. Late last year, I had the great pleasure of opening the 1st Noraville as the newest Scout group in Dobell.

In our technologically driven age, children are growing up spending greater portions of their time indoors focused on various devices—computers and gaming consoles—and less time getting out and getting involved in active outdoor activities. But scouting provides children a great opportunity to switch off the electronics and get outside with their friends, experience activities such as camping and boating, rock climbing, even flying, while learning practical skills and techniques. Scouting leaders are dedicated volunteers who give up their time each week to pass on their knowledge and skills to help generations of children grow up as responsible members of the community. Getting involved in scouting is a fantastic way for children to make lifelong friends and have fun together learning lifelong skills. Congratulations to all the Cubs and Scouts, past and present, for your 100th birthday, and thank you to all the volunteers past and present.

**Indi Electorate: Arts**

Ms McGOWAN (Indi) (09:42): Colleagues, today I am delighted to talk to you about my electorate of Indi. Think Indi, think arts, think about our cultural economy. One of the most amazing things about my electorate is the richness and the diversity of the arts that take place. Today I would like to pay a tribute to the many aspects of art in Indi. Particularly, I would like to acknowledge all those who, either in their paid work or voluntarily, contribute to our thriving cultural economy. At the recent Indi Summit, the arts and the future of our cultural economy in north-east Victoria got a serious looking at. We talked about opportunities for sharing information, expenses, resources and successes. We talked about opportunities for building the arts through formal and informal education. We talked about opportunities to work together, with each other and with new groups, to actually understand the connection between local government, business, politics, non-government organisations and the entrepreneurial aspect of arts.

In Indi we have just got such a complex range of individuals who do arts. For example, we have got painters. We have got musicians and singers. We have got sculptors. We have got landscape creators. We have got photographers. We have got actors. We have got filmmakers. We have got, of course, teachers—and how important they are. We have got artisans who work with wood and glass. We have got dancers. We have got spinners and weavers. There are many, many more. In almost every single community there are representatives of these professions. They come together in groups, mostly under arts councils. Fantastic work, the
arts councils do in bringing these people together and helping the customer, if you want, understand what is going on. Many of the arts councils also have friends of arts.

Turning to the institutions, to local government, to art galleries and to performance spaces, we have got the PAC in Wangaratta. We have got the BPACC in Benalla. We have got the Cube in Wodonga. Every single town has got a pub, a school and a town hall. To all the arts administrators and the marketers, the venues and the organisers, the publishers and the magazines and, of course, the patrons and the supporters, you do a fantastic job.

My commitment is to continue to support and be a patron of the arts in north-east Victoria. I commit to turning up. I commit to coming to the meetings. I commit to spreading the word. I want to finish by saying that I actually commit to forming an arts advisory group in the next term of parliament. My final word is that the future for arts in north-east Victoria really is in our hands. I am so proud to be able to be here in parliament, to share with my colleagues and to say 'come and explore Indi arts'—#indiarts—and to the artists in the community: get in contact with my office we will let you to the database. Thank you.

Lyons Electorate

Mr HUTCHINSON (Lyons) (09:45): It is unlikely that in Tasmania any time soon we will have a major naval base or an Army training facility of any substance. However, the way that Tasmania can be innovative and attract defence spending was highlighted last week when I had the Minister for Defence, the Hon. Marise Payne, in my electorate—of all places at Eaglehawk Neck on the Tasman Peninsula. She was there to announce $4 million of funding for the One Atmosphere’s Pegasus aircraft buoyancy system, which was developed by One Atmosphere, in particular a local lad Tim Lyons, born and raised in Murdunna on the Tasman Peninsula. The facility that has been created at Eaglehawk Neck will be the innovation hub for developing buoyancy systems to be used in the Tiger armed reconnaissance helicopter, initially in the armed forces but also the applications that apply within the oil and gas sector—Deputy Speaker Price, of interest to yourself of course—as well as in search and rescue operations. This is truly innovative. I also congratulate my colleague the member for Bass for the hard work that he has done over many years and for the success that he has had at the defence food facility at Scottsdale in north-east Tasmania in attracting the funding to develop ration packs.

Last week, was a very significant week for Tasmania with defence funding coming in. This is how our state can participate and get a greater share of defence funding by being smart and by being innovative. With the support of the defence department, this was a commitment that we gave on coming to government; that we would make it easier for small and medium enterprises to participate in defence procurement, and so it is. It was wonderful to see those two announcements last week. This is the sort of collaboration that will create jobs and ongoing employment opportunities and manufacturing industries in our state.

Whilst the innovation is occurring in my electorate on the Tasman Peninsula at Eaglehawk Neck, the manufacturing of these buoyancy systems for defence and other applications in the civil areas will be undertaken in Hobart. This exactly the sort of thing that Tasmania can do if we are smart and use the innovative people that reside in our state.
Richmond Electorate: Coal Seam Gas

Mrs ELLIOT (Richmond) (09:48): I rise to speak, yet again, in this place about my community's strong concerns about harmful coal seam gas mining in the northern New South Wales region. We know this is on the agenda again from the New South Wales government and we know it is on the agenda again from the North Coast Nationals who are pushing this. We saw this recently with the release of the Draft North Coast Regional Plan. Quite rightly, there was a fair amount of criticism about the plan in terms of its lack of future planning for the area, but I want to focus today on one of the areas it really exposed. The plan shows their commitment to making sure that coal seam gas mining is expanded into the future; it really did expose that. It shows the New South Wales government is mapping coal seam gas resources in the region and it says that:

Once completed, this information will inform future regional and local planning by providing updated information on the location of resources.

If we turn to the plan itself and go to page 28, it says:

The North Coast also includes areas of the Clarence-Moreton Basin, which has potential coal seam gas resources that may be able to support the development and growth of new industries and provide economic benefits for the region.

It is there in black and white, that the New South Wales government and the North Coast Nationals are pushing ahead with their coal seam gas mining agenda. We know this to be the absolute fact. We know this is their plan. They have always been committed to it. The fact is our community does not want harmful coal-seam-gas mining. This is reflected by the many protests, the petitions, the Bentley blockade. People from all areas have come together and said quite rightly we do not want to have this. Indeed, this was reflected in state Labor's policy at the state election. We went to that election with a gas field-free North Coast. We had the biggest swings against the National Party up there because of everyone's opposition to their plans to expand coal-seam-gas mining. It is New South Wales Labor but had a plan to make sure we protected it. What we are seeing really is the true agenda of the North Coast Nationals.

On top of their CSG plan being exposed, last night we saw the New South Wales parliament passing legislation that means people protesting against coal-seam-gas mining across the state are now liable to criminal penalties of up to seven years just for a peaceful protest. That includes people like the Knitting Nannas, a group that is committed to stopping coal-seam-gas mining. It includes farmers and peaceful protesters. This is one of the most draconian laws I have ever seen go through the New South Wales parliament. They are trying to silence the protesters against it.

The people who should hang their heads in shame are those North Coast Nationals who voted for the unfair laws: Ben Franklin, the National Party MLCs of the North Coast, Geoff Provis, Thomas George, Chris Gulaptis. They have all sold out the North Coast yet again. Not only are they looking to expand coal-seam-gas mining; they all voted to stop local protesters opposing it. What it shows yet again is that the National Party are liars. They lie to the people of the North Coast. They continue to lie to them. They have a plan to expand harmful coal-seam-gas mining. Last night they put laws through the New South Wales parliament to stop our community protesting against it. We will not be silenced. We will stop CSG mining on the North Coast.
Substance Abuse and Mental Illness

Mr WHITELEY (Braddon—Government Whip) (09:51): The previous speaker should be reminded that there is a big difference between protesting and trespassing.

There are very few people in Braddon and across Australia who have not been impacted in some way by drug and alcohol abuse or a mental illness of sorts, whether it be a family member or friend who has been diagnosed with depression or someone in the community who has fallen victim to a drug or alcohol addiction. It is an unfortunate reality that a significant number of people, either through their own experience or the experience of someone they know, have been impacted by the effects of substance abuse or mental illness.

In Braddon, the Somerset Football Club is holding an event to start the conversation about drugs, alcohol and depression. The event, called Shirt Front the Big 3, tackles drugs, alcohol and depression through sport. The community forum targets sports clubs and management of sports associations. A number of community and sporting leaders will be speaking at the forum, with a focus on the effects and ramifications of drugs, alcohol and depression on society, but specifically towards sporting clubs. This event is about getting people with firsthand experience in dealing with substance abuse and mental illness to work with the community to have a local community based approach to tackling these issues that confront the people of Australia on a daily basis.

Shirt Front the Big 3 will have representatives from AFL Tasmania, Tasmania Police, experts on mental health and substance abuse, sporting representatives as well as recovering addicts and sufferers of depression. I will be attending this event and ask any of those in the Somerset region to come along to work with us on tackling drugs, alcohol and depression in our region. The clubs and administrators session is on 23 March, and the session for the community of Somerset and surrounds is on 24 March. Both sessions are to be held at Langley Park, the home of the Somerset Football Club, at 6 pm.

When I am out in the community, on a daily basis I hear about the scourge of ice and other drugs, their effects on our communities and our loved ones and the impacts they have on mental health. It is no secret that these are enormous problems that face each and every community in Australia. I congratulate the Somerset Football Club, especially Rod Groom, on the initiative they have shown in putting together the Shirt Front the Big 3 event. Events like these are the way forward in formulating a community based approach. It is not just those individuals and families who are experiencing the problems firsthand who need to come up with strategies to combat the challenges. It is all of us, the people who live on the north-west coast. We must together take control of our place and our future and formulate a community based solution to the problems that arise from substance abuse and mental illness.

Ovarian Cancer

Ms HALL (Shortland—Opposition Whip) (09:54): Last Wednesday I held an Ovarian Cancer Morning Teal at Gwandalan Bowling Club. The morning tea was to raise awareness of the ovarian cancer, making those who attended aware of the symptoms—abdominal pain or pelvic pain, increased abdominal size, persistent abdominal bloating, the need to urinate often or quickly, and difficulty eating, or feeling full quickly, along with other symptoms such as change of bowel habits and unexplained weight gain or loss.
This was an outstanding morning tea. We had three wonderful speakers. Firstly, there was Carolyn Bear, who I have spoken about many times in this House and whose daughter succumbed to ovarian cancer. For the first time she stood and told her story. Carolyn is the person who makes those beautiful bracelets that I have been selling in this parliament. We also had Annette Luchich stand up and speak. She told her story of being diagnosed with stage 3 ovarian cancer, and she is living with that of the moment. Thirdly, there was Rae Corbett, whose daughter was also diagnosed with ovarian cancer, and she is living with that at the moment. She has now been clear of ovarian cancer for five years.

The thing that was so phenomenal about this Morning Tea is that we had about 60 or 70 women come along and we raised $2,500 on the day. Last year the Gwandalan Bowling Club sponsored prostate cancer as its fundraising initiative, so all last year they raised funds for prostate cancer. This year they have agreed to raise funds for the whole year for ovarian cancer. I want put on the record my strong thanks to Gwandalan Bowling Club, which is where we held the morning tea. While we were at the Gwandalan Bowling Club bingo was taking place downstairs and they sent $200 up to the morning tea, along with a $1,000 cheque from their Hundreds Club. The women’s bowling club also pledged $400.

Ovarian cancer is one of those cancers that people do not know they have until quite often it is too late. It is really important that we not only raise the issues and make people aware of the symptoms, but that money is raised for funds for further research. That is something the women at Gwandalan Bowling club—and the men too—achieved on that morning.

Armenian-Australian Community

Mr ALEXANDER (Bennelong) (09:57): Several weeks ago the proud community of Armenian-Australians in my electorate of Bennelong commemorated the 28th anniversary of the Sumgait Pogroms. Steeped in the dark shadows of the genocide committed against their ancestors, from 1915-1923, by the former Ottoman Empire, the Armenian people are proud of their heritage and passionate about their community's cultural traditions.

In February 1988 Armenians living in the region of Nagorno Karabakh, which was under the administrative control of Azerbaijan at the time, held peaceful demonstrations as a call to be reunited with Armenia after almost 70 years of oppressive rule.

In response to these demonstrations, as an act of collective punishment, Azerbaijani mobs viciously and systematically attacked and assaulted the Armenians of Sumgait. Hundreds of innocent civilians were brutally murdered and injured in horrific ways, including torture and burning, as well as the rape of women and young girls. Subsequent anti-Armenian Pogroms in Baku and Kirovabad saw a once thriving population of around 450,000 Armenians in Azerbaijan totally disappear. This led to conflict and tensions in Nagorno Karabakh, which continue to this day. Over 30,000 people have died on both sides of this conflict and over one million people have been displaced. The crimes committed in Sumgait were never adequately prosecuted by the then Soviet or Azerbaijani authorities, with allegations flourishing that some of those who committed these crimes went on to serve in high positions in the Azeri government. I have spoken in this place previously of Azerbaijan's poor human rights record and systematic crackdown on freedoms we all take for granted. In recent years, the world watched in horror the case of Ramil Safarov, an Azerbaijani army captain who murdered a sleeping Armenian lieutenant with an axe when both were attending a NATO Partnership for Peace program in Hungary. Despite Safarov’s conviction and life sentence, upon extradition to
Azerbaijan he was received as a 'national hero' by the President himself, who immediately issued a pardon and reinstated his army rank.

This year, the world will celebrate the 25th anniversary of independence of the Nagorno-Karabakh Republic, and next month we will commemorate 101 years since the start of the Armenian genocide. These are stories that do not dominate the attention of our media, of this parliament or even of our school history classes. Yet the atrocities committed against the Armenian people over the past century deserve our regular attention; and the dignified and stoic way the Armenian people and their descendants have not just survived but continue to flourish, as they proudly celebrate their cultural traditions, deserves our enduring respect.

The DEPUTY SPEAKER (Ms Price): If no member present objects, three-minute constituency statements may continue for a total of 90 minutes.

Medicare

Mr MARLES (Corio) (10:01): Access to quality, universal health care is vital for all Australians if they are to live a prosperous life. Universal health care, ultimately, is an economic issue. So that all Australians, regardless of their postcode, their socioeconomic status or their bank balance could have access to world-class health care, Labor proudly created Medibank under the Whitlam government. A conservative government sold it with the same kind of reflex which exists among conservative governments now, and Medicare was then introduced by the Hawke government. Medicare is the foundation of our health system. It affords health care to all Australians at the swipe of a Medicare card, not just to those who can afford to swipe their credit card. Without Medicare, many constituents would not have access to vital healthcare services.

Last year, in my electorate of Corio, 80 per cent of all medical interactions were bulk-billed—that is, eight in every 10 visits to a GP or dentist, diagnostic-imaging services and pathology orders were last year bulk-billed. According to Medicare Locals statistics reports of the Barwon area, for the latter half of last year there were over 530,000 professional medical interactions bulk-billed. This includes close to 350,000 consultations with a GP and almost 40,000 consultations with specialists bulk-billed by Medicare. Further, under the dental benefits schedule, over 15,000 services for the last six months of last year were bulk-billed. In this Barwon region, there are currently approximately 1,000 medical professionals who bulk-bill their patients through the Medicare system.

I have done a number of Facebook posts around Medicare and the response has been extraordinary. From this, I was contacted by Mr James Wallace, a constituent living in my electorate. When asked about the importance of Medicare for both himself and his family, he said: 'Medicare is the reassurance that my government has my back and, the most important thing to me of all, my family's backs, when we need it the most.' Mr Wallace, like many hundreds of constituents who have sent messages of support for Medicare to me via letter or email or through Facebook, knows the importance of Medicare. For the most part, Australians are aware of the security which arises from knowing that, in an unforeseen circumstance where a member of his or her family becomes unwell, Medicare is available to provide medical assistance and ease the financial burden that would otherwise exist.

Not long ago, the Abbott government's instinct was to sell Medicare; now the Turnbull government wants to privatise it. Whilst it is unclear exactly which direction the government
endeavours to take Medicare in, one thing is certain: under this current government, Medicare is not safe. Without Medicare, constituents like Mr Wallace will be on their own in circumstances where they require medical assistance. For many, this means they will go without the vital medical assistance that they need. In modern Australia, this is completely unjustifiable.

**Infrastructure**

**Mr CHRISTENSEN** (Dawson—The Nationals Deputy Whip) (10:04): The economic engine rooms of the coal industry in North and Central Queensland and the iron ore industry in the west, which carried this nation through the global financial crisis, have been reduced to an idle by plummeting resources prices. The Liberal-National government committed billions of dollars into important infrastructure projects throughout North Queensland to create jobs needed to survive this part of the cycle. Two key projects are the Mackay Ring Road and the Haughton River Bridge upgrade, with a combined value of over a billion dollars. The Liberal-National government committed around half a billion dollars to each of these projects as part of the $6.7 billion commitment to fix the Bruce Highway.

The Prime Minister has previously agreed to fast-track the funding, but putting money into the engine room means nothing if the state government has the handbrake on. Contracts for detailed design and planning of the Mackay Ring Road were awarded more than a year ago, but the Queensland Labor government is now saying that construction will not start for another year or more. The Premier's announcement in Townsville last month about fast-tracking projects, including projects on the Bruce Highway, has been an absolute fizzer. She claimed that overtaking lanes at Thomsetts Road were part of her fast-tracking program, but that project is 100 per cent federally funded, and construction went to tender in November last year, so it is not even fast-tracked. The Mackay Ring Road, which will create 600 badly needed jobs in the Mackay region, did not even rate a mention. To rub salt in the wounds, Queensland Labor committed to spend $29.7 million building more public housing in Mackay, when thousands of homes are already sitting vacant because thousands of jobless families have left town.

What worries me even more is some of Labor's language around its infrastructure in the north. The Premier's infrastructure plan, announced in the media on the weekend, spends a lot of time talking about value capture and alternative funding—things such as improving capability to apply value capture to infrastructure project development and delivery. This echoes similar thought bubbles from Labor's federal leader, the member for Maribyrnong, and it also smells a lot like the Bruce Highway being turned into a series of toll roads and toll bridges. When the opposition leader here was asked about his plan to build the Bruce Highway with private sector money, his response was this:

So you used a reference to tolls. That would be part of what Infrastructure Australia would work out, not one size fits all, but I've got no doubt that as we build new physical assets, which create value over time, there will be a return for private sector investors…

North Queenslanders know that what we need is not toll roads, but the 600 jobs that fast-tracking the Mackay Ring Road would bring. That is why residents are signing my petition calling on the Premier to pull the finger out and get out of the way of new jobs in North Queensland.
Mr WATTS (Gellibrand) (10:07): I rise today to welcome the imminent commencement of a further round of community consultations on the Western Distributor project, a $5.5 billion infrastructure investment being proposed by the state Labor government that will largely be constructed in my electorate in western Melbourne. As residents of suburbs located between the Port of Melbourne and Melbourne's industrial west, locals in Melbourne's west have long dealt with the impact of trucks rat-running through our suburban streets. There has been a long community campaign for a project like the Western Distributor to give these trucks an alternative route to the port that takes them off suburban streets. The Western Distributor proposes to achieve this by building a tunnel under Yarraville and an additional river crossing across the Maribyrnong connecting to an elevated road along Footscray Road, with direct links to the Port of Melbourne.

The state government expects that this will take 22,000 vehicles a day, including 6,000 trucks, off the West Gate Bridge, and, importantly for local residents, off suburban streets in Melbourne's inner west. It is also forecasted to result in travel time savings for people in the outer western suburbs—in my electorate and in the electorate of Lawler—who use the West Gate Freeway to commute. I am also pleased that the state government is proposing to take the opportunity created by the construction work for this project to complete the Federation Trail for cyclists in Melbourne's west. As a resident and a local federal MP in the area, I obviously have a keen interest in this project, but as it is a state government proposal, I do not control it. My view remains that the Melbourne Metro Rail tunnel remains the highest priority infrastructure project for Melbourne's west and for the State of Victoria. However, I welcome a major infrastructure investment in Melbourne's west to address longstanding issues of community concern.

Like many in our community, I am keenly anticipating the community consultation on the project's design, construction and operation that will begin next month. Transurban have been undertaking consultations with stakeholders and the local community over the past six months, including over a thousand meetings with locals, an ongoing online Q&A forum, letterbox drops and community information sessions. These consultations have already resulted in changes to the working design of the project. These changes have addressed some community concerns and created others. In this context, effective community consultation on this project will be important, and I encourage all members of the community in Melbourne's west to have their say.

The state government is also forming a community reference group for detailed engagement with key stakeholders, and I encourage interested parties to apply to participate. This consultation process must allow all residents and stakeholders to have full visibility of the inevitable trade-offs, costs and benefits associated with alternative design options. In this respect, I have been assured that the community will be fully consulted on alternative design options for the project and that a final design will not be determined until after a comprehensive community consultation and planning process.

I have already told the state government I want more information about areas of community concern, including the location of the entrance to the tunnel under Yarraville and details of truck curfews, to ensure that the local community enjoys the full benefits of this infrastructure. It is also important to understand this project will be subject to a full
environmental effects statement, a process assessing the potential environmental, social and economic impacts of the project. I encourage all residents in Melbourne to participate.

**Lyne Electorate: Agricultural Shows**

Dr GILLESPIE (Lyne) (10:10): I would like to congratulate two vibrant country communities on their successful agricultural shows that I visited on Friday and Saturday last week. Gresford held its 84th annual agricultural show and Gloucester had their 102nd agricultural show. On exhibit at both places, the ring events dominated with some magnificently prepared and trained horses and very skilful riders. We also had cattle exhibits, both beef and dairy; goats; and poultry—all with years of selective breeding in animal husbandry and pasture improvement on show. We also had dogs on show—but not only that; we also had art and photography, tapestry and quilting. We had fruit and vegetable growers whose produce was on display in a competitive sense. We had vigneron and grape growers with their produce and fruit of the vine for us to sample and buy. The timber industry had all its historical and current skills on show with chainsaw competitions at Gresford and wood chopping at Gloucester. We had Rotary supplying the barbie and CWA members running the dining rooms—and fine food they had available to the thousands who attended.

I would like to congratulate the Gresford committee: president Tim Capp, vice presidents Mick Kealy and Paul Dooley, secretary Rosalie Lawrence, their ringmaster and the other 50-member-strong committee. At Gloucester, congratulations go to president James Hook, to secretary Sue Harris, to the Gloucester show committee, and to all who put hours of work in, whether it was at the gate taking tickets or as ringmasters, stewards, judges or organisers.

These agricultural shows are not just a celebration of rural life. They are very important. They reflect the skills, development and years of growth in rural industries. It is a platform for training and skills development for the future, for the next generation of farmers who will continue to produce the wealth of our nation. They drive the local and regional economies and also feed our nation and many millions across the Asian region and around the world, because 60 per cent of our agricultural produce is not consumed in this country; it is grown for another 60 or 70 million people around the world.

Congratulations to all concerned. It was a wonderful celebration of years of work, personal effort and industry and it is the backbone of the regional economies.

**Kempler, Mrs Sonia**

Mr DANBY (Melbourne Ports) (10:13): I want to speak about the extraordinary life of a dear family friend of ours, Sonia Kempler, a woman of valour, who recently passed in Melbourne. At age 9, she and her brother, who the family referred to Uncle Max and who was then aged 2½, smuggled themselves through a ruse into Belgium, where she met her future husband, 12-year-old Harry, who was later the father of her three children, who are lifelong friends of mine: Rosalie, Leon and Geoff.

In May 1940, Sonia took a one-hour train ride from Stuyvenberg to La Panne and alighted in the south of France, alone and hungry in the village of Malfaite. She went into the forest, collected chestnuts and sold them. When the chestnuts were out of season, she opened a business in mushrooms. This is a nine-year-old girl looking after her 2½-year-old brother as refugees in Nazi-occupied France and Belgium. She managed to survive the war and reunite with her beloved husband, Harry, with whom she had many happy postwar years in Australia.
As Leon and Geoff noted in their moving eulogies, she wrote a wonderful book—called *The Wheels of Memory*. She says in the subtitle of the book that she grew up with a war on her shoulders. She ended her life with 27 descendants all around her bed. She was an absolute icon of the Australian Jewish community in Melbourne. In 2000 Sonia Kempler attended the service organisation B'nai B'rith's conference in Jerusalem and proposed to the international organisation that on the anniversary of the liberation of Auschwitz there be six candles lit in every home to remember the six million that were murdered.

Sonia Kempler was a person who loved Australia, deeply loved this country, appreciated everything that happened to her. She loved her husband, who she lost too early. She wrote this about Harry:

> True love lies beyond the grave,
> My strength comes from the love you gave.
> Although we have been torn apart,
> You will always dwell deep in my heart.
> My thoughts are with you every day,
> You did not die, you went away.

She found total love in the devotion of her children and her family. To Geoff, Rosalie and Leon, commiserations from all who knew that great woman.

**Taxation**

Mr SIMPKINS (Cowan) (10:16): Today I raise the legitimate concerns of many of my constituents about the negative gearing policy of the Labor Party. The policy should be held up as an example of what not to do in public policy making, and I will say why. I certainly consulted widely, and I will continue to do so through Cowan, as a local resident and the local member. All should be aware that this relates to basic tax principles, being able to deduct the cost of it generating income. However, beyond that point, the impact on property owners and renters will be severe. Labor's negative gearing and capital gains tax plan is reckless and hasty, and it is designed to raise money and address housing affordability. That is made clear by their statements and their interjections in question time. Their plan will see a loss of 30 per cent of buyers for existing properties, and obviously that will see the price of existing homes fall in value as fewer buyers are in the market. Labor thinks that Australians will be lining up to thank them for this policy, but, when Australians realise that under Labor they could owe more on their mortgage than their home is worth, Australians will not welcome this policy.

An additional point worth making is that, when lenders see the situation of negative equity emerging across the suburbs of Australia, they will then consider acting to restore the ratio of the bank's security against the loan, and that action is likely to be asking for a top-up payment from the borrower. This would be difficult for many to pay and would crash confidence. Foreclosures could follow if additional payments could not be made.

Labor offers this country an economic and personal financial crisis. Labor should consider the reality check that already there has been a substantial drop in investor property purchases due to such talk about negative gearing changes. I do not want this important economic sector being damaged, and Labor has demonstrated the folly of reckless changes to tax policies in this area. In Perth it is known that no real estate agent's business can survive on sales
commissions alone, and that they need the fees generated by managing rental properties. Labor's policy will see a reduction in rentals, with fewer investors in the existing property market, and as investors see that investment in new property does not give them a flexible asset that can be sold to other investors.

Currently, more than 80 per cent of rentals in Perth are owned by investors. Based upon the Labor policy, rental property numbers will fall across the board, rents will rise and real estate agent businesses will fail because of a lack of rental stock. As a result of Labor's policy, the industry faces rental properties becoming unaffordable, increasing numbers of home loan defaults, and state and territory public housing list blow-outs. Homelessness will rise, and the net worth of middle-income and lower income families will fall. There will also be a loss of jobs in the real estate sector, with reductions in rentals. The Labor policy will be a catastrophe for this country. On the issue of support for first home buyers, state shared equity schemes such as Keystart in Western Australia are far better options than confidence-crushing reckless policy such as Labor produces.

**Bendigo Foodshare**

Ms CHESTERS (Bendigo) (10:19): Bendigo Food Share has been running a campaign throughout the month of March. Their goal is to raise funds to cover their operational costs for the next 12 months. Bendigo Foodshare is effectively a wholesaler. They provide the food to our local emergency food relief agencies, not just in Bendigo but throughout Victoria. They run on the smell of an oily rag. They do not qualify for government funding, because they do not deal directly with people in need. They supply to the agencies to ensure that they have the food and the goods that people who are in need can receive.

On the long weekend we held a successful tin rattle over two days and collectively raised just under $2,500. A big shout-out to all the people in Bendigo who donated their loose change towards Bendigo Foodshare. We also need to acknowledge our IGAs who hosted a number of barbecue fundraisers out the front of their stores over the weekend. A number of local businesses have also come on board and made donations towards Bendigo Foodshare to help ensure that they can keep their doors open and the trucks running. Businesses like Bendigo Toyota, McKern Steel; even our local radio and local papers have got behind the cause to promote what Bendigo Foodshare is doing for our community.

We are in a bit of a crisis when it comes to people in need in our community. Some of our food relief agencies have reported, in the last 12 months, a 40 per cent increase in people who are seeking help. Their pay cheques just do not stretch as far. They are not earning as much as they used to. Their hours are becoming less. The government cuts in emergency relief have hurt our food agencies. The agencies are relying more and more on organisations like Bendigo Foodshare to deliver goods so that they can help those who are most in need. The goal for March is to raise enough money to be able to provide one million meals for the next 12 months, through community meals, through food in our school programs, through emergency hampers, through individual support.

Congratulations to everybody in Bendigo, in central Victoria, who is getting behind Bendigo Foodshare. Congratulations to Ray, the supervisor at the site, who works part-time but does a full-time job in making sure that people in our part of the world do not go hungry and are supported. Congratulations Foodshare, and I encourage everybody to get behind them this month.
Road Safety

Mr IRONS (Swan) (10:22): A review into the Road Safety Remuneration Tribunal has been undertaken in accordance with the Road Safety Remuneration Act 2012 and is now being considered by the government. I want to make a few comments about the importance of this review to private contractors in the road transport industry across Australia and in my electorate of Swan and, of course, Deputy Speaker Price, in your electorate of Durack, which relies heavily on road transport. I also see the member for Solomon here, waving, and saying that the Northern Territory relies heavily on transport as well.

The report is likely to contain analysis of the Payments Order, which I will talk about in a minute. The Road Safety Remuneration Tribunal was created by the former Labor government, with functions relating to the road transport industry, and began to operate on 1 July 2012. It was established by the former Labor government as part of a deal with the Transport Workers Union. This rings alarm bells immediately. I know how the TWU operates in my electorate, which is the transport hub in Western Australia—it has the railheads and all the freight yards which service not only your electorate, Deputy Speaker Price, but also the eastern states—and, certainly, the way they operate is not usually in the public interest. So it is very concerning that the previous government's mode of operation was to govern by doing deals with unions like the TWU. Many of the members of the tribunal were appointed by Bill Shorten when he was the workplace relations minister, and a collection of his mates such as former TWU boss Steve Hutchins have been making decisions.

When we look at the sorts of decisions that have been made by the tribunal we can see that they have not necessarily been made in the interest of road safety, which they claim them to be. The Contractor Driver Minimum Payments Road Safety Remuneration Order 2016 is one such example. It is a payment order that imposes significant obligations on businesses that engage contractor drivers directly or contract with third parties that engage contractor drivers, or owner drivers as we know them to be. The order mandates a range of conditions that will make it difficult for private owner contractors to continue to operate in the transport industry and it drives them towards having to join a union.

I spoke with a contractor this morning. He said that it is unproductive. He said that he will have to let his subbies go, because there is just no money in the work and the jobs that he does. He said that there will be no money in their jobs for that extra payment and there will be no improvement to safety, as the unions are claiming there will be. None at all! The unions and their representatives on bodies such as this are acting in their own self-interest in trying to increase union membership. I support the review and, for that matter, I also support the building construction and registered organisations legislation that is vital in tackling union corruption and militancy that is damaging the economy in this country, particularly in my state of Western Australia. All three of these policies, including the review, were coalition election commitments. I look forward to the review being announced and what actions will be taken.

Hotham Electorate: Interpreter Services

Ms O'NEIL (Hotham) (10:25): One of the things I am most proud of, as the member for Hotham, is that I represent the most multicultural suburb in Australia. It is a place called Springvale in the south eastern part of Melbourne. Would you believe that 68 per cent of Springvale residents were born in a country other than Australia? Often I say to my
constituents that people around this country talk a lot about Australian multiculturalism but in Springvale we live it every day. This is an extraordinary place where people from all over the world live in harmony in this beautiful community and it is full of people who are genuinely grateful that Australia has been a welcoming country and that they have been able to make a life here.

Multiculturalism in Springvale has not just sprung up and worked without reason. There is a group of organisations that have helped people over a long period of time adjust to a new life in Australia. One is the Springvale Community Aid & Advice Bureau and I want to talk specifically about this organisation for a moment. You can imagine in a community like this that the main clients of this organisation tend to be people who come from countries other than Australia, so often they speak different languages. It is an extraordinary service they offer, including financial counselling, settlement services, emergency relief, lots of youth services, for the young people in our local area, and even job placement. It is astounding to me that in November last year, the federal government made an announcement—really out of nowhere—that cut access to interpreter services for this incredible local organisation. One in eight of their clients presents needing access to the interpreter service to get the help that they need, and the federal government has taken funding away from this essential service.

I want to quickly talk about a couple of people who represent the type of clients here. The organisation has told me about one woman with five children who was fleeing a domestic violence relationship trying to find help and she needed the help of an interpreter service, and this is something the federal government is taking away. Another example is a Burmese family who recently arrived in Australia who had built up a lot of utility bills. They could not read and write and they needed the help of this organisation to get them out of their financial situation, again needing interpreter services. To identify this as a saving is utterly ridiculous. The interpreter service is a gateway to all the other services that this organisation provides, and I want to call on the federal government to restore this funding that is essential to this organisation doing the work that it does so well.

We cannot forget that Australian multiculturalism works because we have invested in things that make it work like the SBS, interpreter services and settlement services that help people coming to this country build a fruitful and productive life. The interpreter services must be restored to this organisation to help it continue this important work.

**Hindmarsh Electorate: Clean Up Australia Day and Surf Life Saving Clubs**

Mr WILLIAMS (Hindmarsh) (10:28): Clean Up Australia Day was held on 6 March, and I spent the day with a few community groups who rolled up their sleeves to dig in and clean up the mess left by littering members of our community. Littering is still a major blight on our community not only by polluting our open spaces and waterways but also, in some cases, killing our native animals or marine life.

I met Robyn Palmer, the site coordinator at the Tedder Reserve playground in Flinders Park, where I joined about a dozen parents and children who participated in the clean-up around the River Torrens. It was great to see so many young children pitching in and helping clean up the area. I want to pay a special tribute to Robyn for organising the Flinders site. I was informed by one of the parents that Robyn is also the driving force behind environmental projects at her children's school. I know from my children's school communities that it is often a small number of dedicated parents who put in an extraordinary amount of work in the
local community. Anthony Thomas and Mel Davis-Bishop are two people who come to mind in my local West Beach. At the junior surf life saving carnival last weekend I saw them again putting in the hard yards. They do a great job for the West Beach Surf Life Saving Club as well as the West Beach Primary School. Congratulations to the Grange Surf Life Saving Club on winning the junior state titles last weekend, as well as Somerton Surf Life Saving Club that were the runner-up and who were fantastic hosts of the event.

To go back to the River Torrens, I was impressed by the work undertaken last year by another group of committed individuals along the River Torrens who were members of the coalition’s Green Army. Another waterway that I helped clean up recently was Brownhill Creek at Kurralta Park, where I pulled out a bike tyre, some guttering and a heap of glass, amongst other items—that was the second site I visited on Clean Up Australia Day. The third and final site was on West Beach Road and Tapleys Hill Road, where the Ahmadiyya community again cleaned up the local area. I have helped them before at this location, and they do a great job reaching out to the community and helping out with community activities such as this. They had about 30 to 40 volunteers, the largest group that I saw at the Clean Up Australia Day sites. I want to pay tribute to the work they do in the community. They also attended a recent community coffee function I had with the Minister for Social Services at Henley Square.

Finally, also on 6 March, I attended the Melanoma March which was held at Henley Square. It included a walk north from the pedestrian walkway to Grange Jetty. Many walkers walked back to Henley to complete the four-kilometre path. It was a great crowd; many hundreds, in fact, including former Olympic champion basketballer Rachael Sporn, who has long been involved in promoting melanoma research. I was pleased to donate to support the cause and to participate. I congratulate the organisers on a successful event.

Disability Support Pension

Ms RYAN (Lalor—Opposition Whip) (10:31): I rise today to share with the House a story from my electorate. There is nothing quite like a week at home in the electorate to catch up with residents and to deepen our understanding of the impacts of policy and direction changes by government. Last week I met with Donna Strong, and I want to tell her story in the parliament today because I think it is indicative of the impact that some of the decisions that we make while we are in Canberra have on people’s real lives. Her story best illustrates a theme that I have spoken about before: that decisions that we make or directions that we give to people who work actively and face-to-face with our clients in social services are absolutely critical.

Donna has hereditary spastic paraplegia. This leaves her very weak. To move around at all, she uses crutches, and she is in constant pain. Her life has been complicated because her eldest child, her son, also suffers from HSP. He is also using crutches; he is still mobile enough to move with less pain then his mother but it is gradually becoming worse. She also has a daughter who has just turned six. Donna has been on the single parent pension. She has two siblings with HSP who have been on the Disability Support Pension for many years, but Donna was on the single parent pension. Her daughter has turned six and so Centrelink has determined that she needs to transition to Newstart. This is despite doctors’ letters, and despite being granted a motorised scooter—which she will receive soon—that will assist her when she is getting her
children to school. Fortunately—after some work by my office and others—both of her children now attend the same prep to year 12 school, so she only has one trip a day to do, getting in and out of the car and making sure her children get to school safely.

I want to talk about what has happened in Donna's life in her dealings with a target to cut people off from receiving the Disability Support Pension. Donna has now compounding mental health issues. Her GP is medicating her because she is incredibly frustrated and incredibly saddened by her dealings with bureaucracy. She feels that she has been punished. This is a person who volunteers for 15 hours a week in our community and who does what she can. This is a person who needs support.

This government, with its cruel attitude to people on the Disability Support Pension, needs to rethink.

Page Electorate: World's Greatest Shave

Mr HOGAN (Page) (10:34): Every day, 34 people receive the devastating news that they have leukaemia, lymphoma, or myeloma. This is obviously very traumatic for the people and the families involved, and many of them will turn to the Leukaemia Foundation for help. The Leukaemia Foundation offers accommodation and many other support services to families in this situation. With some of the treatment, especially if you live in a regional area, you will often have to travel to another hospital a long way away, and you will need accommodation and other support services to be able to undergo the treatment that you need.

The Leukaemia Foundation's World's Greatest Shave is their chief fundraiser. It began back in 1998 when a Lismore resident, Cathy Mooney's father Eric, was diagnosed with leukaemia. Cathy and her family got the idea to raise money by shaving their heads. The first World's Greatest Shave took place in Lismore Square back in 1998. More than 200 people participated and $80,000 was raised for the Leukaemia Foundation. Today, it is the foundation's biggest fundraising event: more than 150,000 people from all walks of life shave, wax or colour their hair. In 2007, Cathy was awarded the Order of Australia medal to recognise her work in developing the first World's Greatest Shave. The money raised from this event gives families the emotional and practical support they need, and funds urgent research to save lives.

Madam Deputy Speaker, I would like to share with you some stories of local people and why they are happy to lose their hair this year in the World's Greatest Shave. Teenager Zara Tabor and her friend, Kaisha Bender, decided to do the shave as a tribute to their friend, Siobhan Hoy, who was diagnosed with leukaemia last June. Siobhan joined her friends at The Bottom Pub in Maclean—along with more than 200 other people—to watch them shed their locks. Not only did the night raise $5,000 but the teenagers' hair was donated to a non-profit organisation which makes wigs for cancer patients. Then there is Dain Mavin and Tony Catt, from Corindi Beach, who were inspired to take part in the World's Greatest Shave by Dain's grandmother, Peg, who has leukaemia herself and is in remission. There are many more stories, but this small sampling shows the determination of people, young and old, to help those with leukaemia, and the Leukaemia Foundation.

I would also like to acknowledge some of the venues and the organisers that have held Shaves across my electorate: they include the Corndale Hall, the Pioneer Tavern at Wollongbar, the Nimbin Hotel and the Clarence Hotel in Maclean, and the Moonee Beach
Tavern, but there were many more. Thank you to everyone involved and congratulations to all the people and all the businesses involved in this worthy cause.

Fowler Electorate: Vietnamese Community

Mr HAYES (Fowler—Chief Opposition Whip) (10:37): I am proud to represent the most multicultural electorate in the whole of Australia—the colour, the vibrancy, and the diversity make Fowler quite exciting. But I am also very proud of what my community is able to achieve. Today, I would like to refer to the efforts of Dr Xuyen Thi Tran and Dr Sang Giang Phan who led the fundraising efforts last Friday to support Fairfield Hospital. One of the things that the Vietnamese community take very seriously is being adopted into Australia. They are very thankful that, 40 years ago, Australia opened its doors to Vietnamese fleeing the communist regime, and they have a view about paying back this country. In doing that, Dr Xuyen led the fundraising effort to support the hospital. Last Friday evening, she amassed a number of medical practitioners from throughout our electorate and raised over $80,000 to support much-needed equipment required by Fairfield Hospital. The Vietnamese community understands that this equipment will go to serving our broader community, and they are very much of the view that what they can do is pay back this country for showing them respect and care some 40 years ago.

The Vietnamese people have taken a very leading role in many professions, but they are also taking on an extraordinary role in fundraising for our greater community. They once told me of a saying as to why they do this work, and the saying goes something like this, 'if you eat from the fruit of the tree, have regard for those who planted the seed'. It is therefore not surprising that whether it be the Queensland floods, the Victorian bushfires or, in this case, Fairfield Hospital fundraising, at the forefront is our local Vietnamese community. I am proud to be part of a community that takes seriously the issue of community itself. The Vietnamese certainly see that as very much a part of their being. Supporting the local hospital system to provide better services for all our community members is something that they are proud to take part in. We are proud to have refugees come to this country, adopt Australia for what it is and contribute in such a way as the Vietnamese community continues to do. On behalf of a grateful community, I say to Dr Xuyen—who, by the way, is normally involved in just about every fundraising effort that takes place in my community—and her team: thank you for what you do. You make a difference for the better.

Solomon Electorate: Australian Rules Football

Mrs GRIGGS (Solomon) (10:40): Last Sunday I attended the NTFL's 2015-16 Nichols Medal Award. It was a great evening to celebrate the achievements of all the clubs involved in the season and also to commend and honour some outstanding individual achievements. I was very honoured to be able to present Danielle Ponter from St Marys with the medal for the best under-18 female player. She was a very popular winner, as was Brodie Filo of Nightcliff, who was awarded the highly prized Nichols Medal. Brodie won the Nichols Medal in the last round of votes in a nail-biter. He was in competition with William Farrer, and Brodie won in the very last round. Congratulations to both Brodie and William on a great season. They really did do a tremendous job.

I would like to put on record my congratulations to the following players, who were recognised for their outstanding achievements throughout the year: Joel Jeffrey from Darwin Buffaloes was awarded the under-14 Gundersen Medal; Patrick Grace-Long from Tracy
Village was awarded the under-14 Lew Fatt Medal; Angela Foley from the Waratahs was named the Women’s Coca-Cola Medallist; Will Johnson from Banks won the Mitch Lee Medal; Jaise Coleman from Nightcliff won the Lancaster Medal; Zachary Smith from Southern Districts won the under-18 Abala Medal; the very popular Nathan Mu from Nightcliff won the under-16 Hickman Medal; Kayden Malseed, also from Nightcliff, won the under-16 Leverence Medal; Elouise Calma from Darwin Buffaloes won the under-15 youth girls Sharyn Smith Medal; Jan Wray from Waratah won the Kennards Volunteer of the Year medal; William Farrer from Southern Districts, who was one of the Nichols Medal finalists, was named ABC Player of the Year; Simon Walker was named ABC Umpire of the Year; Brodie Filo from Nightcliff, who had a great night, was named NT News-William Hill Player of the Year; Adam Sambono from Darwin Buffaloes was named the NT News Rising Star; William Farrer, from Southern Districts, kicked 108 goals and won the Dennis Dunn Leading Goal Kicker Medal; it was no surprise that the Women's Leading Goalkicker was the amazing Abbey Holmes from Waratahs, who kicked 48 goals; and Machaelia Roberts from Darwin Buffaloes was named as the Women's Rising Star. *(Time expired)*

**Middle East**

**Ms PARKE (Fremantle) (10:43):** Last week, while I was back in Fremantle, constituents raised with me some troubling issues. Firstly, in December 2015 an Israeli military court sentenced an elected member of the Palestinian legislative council, Khalida Jarrar, to 15 months in jail. Human Rights Watch reported that ‘her case is rife with due process violations’, while Amnesty International said:

… her detention, the proceedings against her and her sentence appear to be punitive measures used to suppress her right to free and peaceful expression.

Palestinians do not have access to the regular Israeli court system—only the military courts, which do not apply the rule of law or natural justice. I hope this is a matter that can be taken up by the Australian parliament, as often occurs when other MPs around the world are unjustly detained.

Secondly, an article by Glenn Greenwald in *The Intercept* last month observed the growing trend of Western countries to criminalise activism against Israeli occupation. Greenwald reported prohibitions on boycotts against Israeli occupation in Israel itself, the UK, France, Canada and the US. Greenwald quotes BuzzFeed’s Rosie Gray reporting in 2014 that ‘anti-BDS legislation has become a major goal of AIPAC’.

The boycott movement is not, as some have claimed, grounded in anti-Semitism. It is a peaceful means of protesting the ongoing violations of international humanitarian and human rights law by Israel in terms of its continued settlement building, its decades-long military occupation, the crippling Gaza blockade and its discrimination against Palestinians within and outside of Israel.

As I said in this place in 2014:

… what then is the alternative to the vicious cycle of bloodshed we have witnessed in recent months? What is a legal and justified response to actions by Israel that the international community agrees are illegal? In my view, non-violent means of protest are and must be seen as legitimate. It is notable that both Israel and the US approve of boycotts and sanctions against other states such as Iran and Brunei … Greenwald observes:
But only advocates of tyranny could support the literal outlawing of the same type of activism that ended apartheid in South Africa merely on the grounds that this time it is aimed at Israeli occupation (some of Israel’s own leaders have compared its occupation to apartheid).

Al Jazeera reports that Israel's Labor Party has now adopted a plan to 'get rid of Palestinians who are residents of Israel and have an Israeli identity card by cutting off Palestinian villages from Jerusalem'. This appears to be the Israeli government's plan too given the rapid expansion of settlements. Even UK Prime Minister David Cameron said last month that 'what had happened with the effective encirclement of occupied East Jerusalem' was 'genuinely shocking'. In the recent Washington Report on Middle East Affairs, Rachelle Marshall observed:

Israel's right-wing leaders are attempting to silence liberal Israeli groups across the board. The vague charge of "incitement," long brought against Palestinians, is now being applied to Israeli citizens who defend Palestinian rights.

I also note a Haaretz report of the recent attempt by the Israeli legislature to pass a law that would enable a three-quarters majority of the Knesset to expel any MP. Joint List head Ayman Odeh has said the bill is 'the parliamentary translation of the phrase "death to Arabs"'.

These are concerning developments. I hope that Australian MPs and political party officials being treated to trips to Israel insist on seeing and informing themselves about both sides of the issue.

**Glover Prize**

**Mr NIKOLIC (Bass) (10:46):** I was honoured to represent the federal Minister for the Arts, Senator Fifield, at the 2016 Glover Prize last week. That is because the Glover Prize makes an important contribution not only to the arts but also to the regional economy of northern Tasmania. Every year, this prestigious prize recognises the very best contemporary landscape painting of Tasmania. The winner receives $40,000 and a bronze maquette of colonial artist John Glover, whose legacy is so deeply respected in Australia and around the world.

British born John Glover is widely recognised as the father of landscape art in Australia. The prize in his honour is now in its 13th year and is independently and fully funded to at least 2020. It is an acquisitive landscape art prize. The Glover Collection is now comprised of 13 pieces by 12 artists, and this eclectic collection remains in Tasmania and will eventually become a window to how the Tasmanian landscape has changed and is perceived by different artists in different generations.

Artists from around the world compete for this prestigious prize, with an exhibition held over the March long weekend in the iconic Falls Park pavilion in Evandale, a village on the beautiful northern plains of Tasmania. Works submitted must have been created in the previous 12 months and must depict an aspect of Tasmanian landscape.

Since its inception it is estimated that the Glover Prize has been responsible for creating close to 3,000 artworks and, at an average price of $9,000 over the life of the Glover Prize, $27 million worth of artworks have been created, producing income for artists across Australia.

The winner of the Glover is selected from 40 shortlisted works, and this year that shortlist was drawn from some 285 entries. The Glover Prize is so respected because the finalists are
judged by an independent panel of three eminent judges and those judges change each year. I congratulate this year's panel of judges for their efforts. They are Maudie Palmer AO, Fiona Hall and Sean Kelly. Not only was the 'house full' sign up at the Glover for the announcement of the winner at Evandale last week; but local cafes, restaurants, accommodation and other businesses all benefit from the Glover Prize. With extended hours we expect more than 10,000 visitors coming through the exhibition.

This year's winner was Hobart-based artist David Keeling, the first to win the Glover Prize twice, with his work *Lowtide, Soft Breeze*, which is an oil on canvas. I congratulate Andrew Heap, the Chairman of the John Glover Society; Patron Kenneth von Bibra; Julia Farrell from Federal Group; stalwarts of the prize like John Millwood, Jane Deeth, Stuart Hogarth, Mark Wells, James Abbott, Irina Petrovsky, Elizabeth Grubb, Sebastian Woof and Peter Woof; and the Rotary Club of Evandale for their outstanding support of this iconic event.

**Automotive Industry**

**Mr SWAN** (Lilley) (10:49): Australia needs a right to repair act. The federal Liberal government's failure to ensure that the Australian automotive after-market businesses have third-party access to software and vehicle diagnostics of motor vehicle manufacturers is putting yet another nail in the coffin of Australian manufacturing. Last week I meet with three automotive businesses in my electorate, and industry representatives: Lesley Yates from the Australian Automotive Aftermarket Association, Ian Cole from the MTA, Tony McMahon from the AAEN, Maurice Donovan from Allautos Advanced at Geebung, Angelo from APF Motors at Boondall and Dean Wally from Newman Mechanical at Geebung. Maurice, Angelo and Dean are hardworking Lilley small business owners who have been providing outstanding car servicing and repairs to local people for decades. However, their businesses—and, for that matter, the entire Australian automotive after-market industry—is at risk. This federal government must act now to save thousands of small businesses which make up that industry.

The threat to this industry is coming from car manufacturers, all of them foreign owned, and in a few years time all of them will have no Australian manufacturing presence. With the effective computerisation of modern vehicles, new vehicles are increasingly reliant on a range of microprocessors to control everything from entertainment to climate control, air-conditioning to security, and monitor everything from traction control to battery and oil levels to tyre pressure. Modern vehicles are so technologically sophisticated that the vehicle's onboard computer system is able to tell car servicers and repairers exactly what needs attention. However, to access that information from the system, tools and software, as well as unique access codes, are required. The businesses that I met with last week tell me that motor vehicle manufacturers are progressively removing third-party access to software and vehicle diagnostics, and it is therefore becoming increasingly difficult for anyone other than the manufacturer's own dealer network to service and repair these vehicles.

I understand that there are many instances where motor vehicle manufacturers have refused to share central repair and maintenance data and software with the non-dealer network. These manufacturers also refuse to provide the non-dealer network with technical service bulletins detail in common vehicle faults and how to repair them. These practices mean that automotive after-market businesses, like those business owned by Maurice, Angelo and Dean, find it increasingly difficult to service and repair modern vehicles. Not only do these practices...
reduce competition; they effectively funnel motorists back to the manufacturers' dealers network. The government must act immediately to ensure motor vehicle manufacturers comply with the existing voluntary code of conduct and investigate what is needed to implement a mandatory code of conduct or a right to repair act.

**Petrie Electorate: Bracken Ridge**

Mr **HOWARTH** (Petrie) (10:52): This year marks a special anniversary for the suburb of Bracken Ridge in my electorate of Petrie. It is 150 years since it was officially settled by Scottish farming families. Now, history as we know it has a tendency to be inaccurate or forgotten altogether. The history of Bracken Ridge has never been fully researched. So this anniversary is a little bit of a surprise. But as someone who grew up in Bracken Ridge I wanted to share this special occasion with other locals and to pass on the stories I heard on Monday from a past Bracken Ridge local, Miss Kris Herron. Kris's family moved to Bracken Ridge in the 1960s, around the same time as my parents, and she knows the area well. We first met when I was only a baby, about 18 months old. Naturally I do not really remember that too well. But she had a baby wear shop for a few years before opening a real estate agency in the 1980s.

For the past few months Kris has been working on a book of the history of Bracken Ridge. We have her to thank for discovering the 150-year anniversary. In Kris's words, it all began with a cob of corn, referring to one of the first crops grown in Bracken Ridge. Her book weaves in and out of the stories of the first settlers through to the naming of the suburb in the early 1980s. And she dispels a few local myths. I would like to leave Bracken Ridge locals with a few of these myth busters.

Many Bracken Ridge locals would be familiar with the legend that Bracken Ridge used to be called Rose Hill. This, according to Kris, is not true. The only mention of Rose Hill Sandgate is in the year 1924, when a lady opposed to the Bruce government wrote a series of letters to the editor voicing her opinions. Kris writes that there would have been a property called Rose Hill on the perimeter of Sandgate but this was not an early name for Bracken Ridge. Another myth floating around Bracken Ridge is that the first school was built in 1957. In actual fact, the fundraising activities of Bracken Ridge schoolchildren were written about in the local paper in 1915.

Bracken Ridge has a rich history that has finally been collated and set in print. It includes many names that have been passed on through generations: the McPhersons, the Fergusons, the Herrons. I remember a few local women who I grew up with. One was Leanne McPherson, who said on Facebook recently, 'Scottish migrants included my family dairy farms and our family donated land for a park, namely McPherson Park'—a park that I knocked around in as a kid. Nicole Frances said:

We lived on the hill around the reservoir. I remember all the land with cattle, and the creek at the bottom of that hill … Bracko will always be very special to me.'

It is special to many local Bracken Ridge people, so I congratulate Kris Herron on her work and congratulate to all families, past and present. **(Time expired)**

**Corangamite Electorate: Telecommunications**

Ms **HENDERSON** (Corangamite) (10:55): I rise to speak about a particular constituent of mine, a woman by the name of Alison McArthur, who was recently involved in a very innovative project, the Holly Smart Home Project, which is a joint venture between the City...
of Greater Geelong and Samsung. It is all about introducing particular technology into the homes of elderly people to track their movements and to identify when anything goes wrong. So it is very new in the innovative technology area, and Mrs McArthur is to be commended for embracing this trial in the Geelong region.

However, when I met and spoke with her about her involvement with this, I discovered that she still does not have a phone line into her home after some four months. Alison McArthur moved into her home in George Street, Belmont, and for the last four months has been desperately waiting for Telstra to connect the infrastructure she needs so that she has a fixed line into her home, which, as we know, particularly for older people in our community, is absolutely vital.

Under the Telecommunications (Consumer Protection and Service Standards) Act, Telstra has an obligation to ensure that standard telephone services are reasonably accessible to all people in Australia on an equitable basis. In the case of people living in an urban area, there is a requirement for Telstra to provide this infrastructure within 20 working days after a request has been made. So we are seeing a situation where this infrastructure, so important to Mrs McArthur, has not been delivered.

Telstra tells us there are some issues with iiNet, which is the relevant retailer, and there are some problems. I think iiNet probably has some responsibility as well, yet Telstra is responsible for the provisioning, installation and switch-on of the fixed phone line.

It has been a comedy of errors. There was one particular contractor who turned up and said the line was in the wrong place; it had to be reallocated and put to another part of the house. Then Telstra came back again and said, 'No, that's actually wrong; it should have been in the original pit.' So there has been a real saga, and I do appreciate Telstra's immediate attention in relation to this problem. I have been on the phone to them this morning and I know that they are concerned about this, but four months is simply too long. Telstra do have an obligation, under their Customer Service Guarantee, to make sure that every Australian has a fixed line, particularly for those older people in our community. We know how important it is and I would very much appreciate Telstra's immediate intention to fix Mrs McArthur's phone line.

Chifley Electorate: Blacktown
McGuinness, Mrs Moya

Mr HUSIC (Chifley) (10:58): Thank you. I rise to deliver some good news. Common sense has prevailed in our part of Western Sydney, having seen off one of the most bizarre propositions that had been put forward and has now been roundly panned. And I refer, of course, to the proposition that was advanced late last year by the Liberal councillors on Blacktown City Council to hold a public vote to change the name of Blacktown and its CBD to 'West Sydney'. The council had to go through an extensive process of community consultation to ask people what they thought of the idea to change the name of our city. In fact, the council surveyed over 3,000 people in our area, and the results showed that just under 80 per cent of residents surveyed said that they did not want a name change. The survey alone cost council $98,000 just to find out what everyone living in Blacktown already knew—that they loved the area and the name.

Blacktown is home to Sydney's largest population. It is one of the largest council areas in New South Wales: 340,000 people live in the city, it is growing at a rate of 7,000 people per
year and it has a $13 billion economy. This is an area that people are proud of, and community consultation resoundingly showed that residents did not want to rename their area. Led capably by Mayor Stephen Bali and six other Labor councillors, along with Independent Councillor Jacqueline Donaldson, the council voted not to take any further action on changing the name.

We should be focused on things that matter to our residents—transport, infrastructure, health care, education, employment—not about things that are an unnecessary distraction, like name changes. Like many other Blacktown residents, I am proud of Blacktown, and I do not know why Blacktown Liberals are not.

Speaking of things that make me proud of my area, at Sacred Heart Catholic primary school in Mount Druitt, there is an inspiring woman who has served as the school's principal for many years. Her name is Moya McGuiness, and, after 48 years of service, she will be retiring in April. She is a local inspiration, working with students for almost five decades at Sacred Heart. The local school is a vibrant learning community, and Moya's distinguished academic achievement and civic service have benefited our area massively and raised the reputation of the school.

After a long career as a classroom teacher, Moya was persuaded to apply for assistant principal and was inevitably promoted to a principal's role. She is someone that we will miss. She has had a huge impact in our area. She listens to people and hears their stories. Like Saint Mary MacKillop, she never sees a need without doing something about it. Thank you for your service, Moya McGuiness.

The DEPUTY SPEAKER (Mr John Cobb): In accordance with standing order 193, the time for members' constituency statements has concluded.

COMMITTEES

Infrastructure, Transport and Cities Committee

Report

Debate resumed on the motion:
That the House take note of the report.

Mr ALBANESE (Grayndler) (11:02): I am pleased to speak on this report of the House of Representatives inquiry into the use of intelligent communications technology in the delivery of infrastructure. One of the great things about living in the 21st century is that technology is always marching forward. When it comes to infrastructure, we must never lose sight of what technology offers. Not so long ago, if you wanted to drive across the Sydney Harbour Bridge you had to stop and pay the toll. New technology has removed this need. It is all done by computers. Of course, there is also a differential toll, which is one way of having an impact on urban congestion—if you go outside of peak hours, you pay less.

In the same way, recent years have seen the development of smart infrastructure that allows for more efficient use of our road system and our train lines. Use of cameras and smart signalling devices allows us to monitor traffic flows and, for example, change the direction of travel in individual lanes according to the time of day and the flow of traffic. We can change the speed limit. This is critical in terms of managing traffic flows and easing traffic congestion. That is why the former Labor government created the Managed Motorways
Program in 2011. Some of the projects under Managed Motorways had a cost-benefit analysis of greater than 10:1. It is a pity that the current government cut it in 2014 in places like the Monash Freeway and then 18 months later announced its reinstitution as a new idea and a new initiative—quite extraordinary!

Labor is supportive of the report's general recommendations, which encourage the department to support greater use of smart infrastructure. It is important, because smart infrastructure not only allows us to build new infrastructure that is in line with world's best practice but also provides us with the option of not building new infrastructure if we can use smart infrastructure technology to improve the efficiency of an existing road or train line. That is absolutely critical in a nation like Australia, with its vast distances across our wonderful continent, that continues to suffer from an infrastructure deficit. Because public funding is scarce, we need to wring the full value out of every dollar. That is the best way we can lift productivity. We did that in government, and we are promoting this from opposition.

The report highlights what we have been observing for many years. As the committee chair notes:

The more evidence that was received about the role of smart ICT in infrastructure, the more the committee recognised the possibilities inherent in new technologies and systems.

And the tabling of this report could not be more timely, because just last Thursday evening I addressed the Sydney Institute, and there I announced that as part of adding to Labor's comprehensive plan for cities we would ask Infrastructure Australia to, when it considered proposals for funding, not just look at value for money but look at whether smart infrastructure had been included in the proposal, as well as the sustainability features of any proposal being put forward. I want to give a couple of examples of why this is necessary. I have mentioned the Managed Motorways program before. It was created in 2011. As an example, investment of just the funding on the Monash Freeway in Melbourne would return $10.50 in public benefit for every dollar invested. The Managed Motorways program upgrade of Melbourne's Westgate Freeway, which commenced in 2012, delivered $14 of benefit for every dollar invested. And of course the former, Labor, government also invested in the creation of the University of Wollongong's $62 million SMART Infrastructure Facility that I opened late in 2011. It is unfortunate that the government marginalised Infrastructure Australia and cut the Managed Motorways program, because it was one of the very strong elements of the Infrastructure Australia priority list.

But it is not just roads. The Australian Rail Track Corporation is working on its Advanced Train Management System to provide significantly upgraded capabilities to the rail industry through smarter signalling. That replaces trackside signalling with in-locomotive displays to drivers. It provides precise location of trains, both front and rear. It provides new digital network control centres, each capable of controlling all traffic on the ARTC national network. It provides a backup capability in the event of failure at one control centre so that the whole system does not break down. It provides enforcement of authorities on each locomotive if a train is at risk of exceeding its authority. And it provides switch settings and automatic route clearances. ATMS will improve rail network capacity, operational flexibility, train service availability, transit times, rail safety and system reliability. Labor invested in this program to make sure it delivered.
But it is also in the area of water, as I spoke about at the Sydney Institute, where I gave examples such as Yarra Valley Water, which services 1.7 million people and 50,000 businesses throughout Melbourne. It has partnered with IBM to use data analytics, maximising their asset performance while improving customer service. Yarra Valley Water has also implemented new smart technology called TaKaDu Software. This software identifies bursts, leaks and meter failures and also provides geolocations for these events. It monitors and analyses the state of and changes in the water and sewerage system in real time, using a combination of tuned algorithms, historical analysis and live system data, to identify deviations from predicted system behaviour. By using this software, Yarra Valley Water saved $930,000 and 1.05 billion litres of water in the last financial year. Queensland Urban Utilities also uses this technology. The software not only reduces costs but also minimises the disruption experienced by the community. When it comes to energy, the application of smart meters, which can make an enormous difference to energy usage by making sure that appliances are turned on and operate at times of lower demand, therefore lowering the energy that is required during peak times, can take real pressure off the system and can make a big difference.

As I said at the start of my contribution, the role of technology in the 21st century provides such enormous opportunities to improve existing national infrastructure and ensure that new projects are state-of-the-art. We should make sure that smart infrastructure is included in any new proposal, because it is cheaper than going back and retrofitting that technology after the event. This applies in road and rail infrastructure but also in water, energy and other infrastructure needs. I congratulate the committee on having the initiative to undertake this inquiry—but it does require the government to act. It requires the government to support the Managed Motorways program, from which it cut funding in 2014. It requires smart infrastructure to be seen as an essential component of our economic productivity and for all infrastructure to be as efficient as it should be, which is in the interests of corporations, but, at the end of the day, this is about the consumers. This is about the national economic interest. I commend the report to the House.

Mrs PRENTICE (Ryan—Assistant Minister for Disability Services) (11:12): I rise to endorse the comments of the Chair of the Standing Committee on Infrastructure, Transport and Cities, the member for Bennelong. As the chair of the previous committee, which initiated this inquiry, I rise to speak in support of the report. Indeed, I note that, when the committee was restructured last year, some members, including me, were concerned about the future of this inquiry. I wish to thank the committee chairman for having the initiative to undertake this inquiry—and it does require the government to act. It requires the government to support the Managed Motorways program, from which it cut funding in 2014. It requires smart infrastructure to be seen as an essential component of our economic productivity and for all infrastructure to be as efficient as it should be, which is in the interests of corporations, but, at the end of the day, this is about the consumers. This is about the national economic interest. I commend the report to the House.

The inquiry into the role of smart ICT in the design and planning of infrastructure was in fact precipitated by an earlier inquiry of the committee into planning, procurement and funding for Australia's future infrastructure. While the decision to adopt this inquiry was initially met with resistance by some, it was greatly assisted by the strong advocacy and support given by the member for Forrest and the member for Hinkler. I take this opportunity to record my appreciation for their determination. Although the inquiry had originally set out with the limited scope of examining new technologies in the development of infrastructure, the unprecedented interest that it received from within industry and government resulted in it accepting a wide range of submissions and examples of smart technology. At the time of
drafting this report, the inquiry had received 49 submissions and the committee had conducted eight public hearings.

The inquiry into the role of smart ICT set out to inquire and report upon the role of smart ICT in the design and planning of infrastructure. In particular, the inquiry focused on the identification of innovative technologies for the mapping, modelling, design and operation of infrastructure; the productivity benefits of smart ICT; the harmonisation of data formats; nationally consistent arrangements for data access and storage; the identification of international best practice in the use of smart ICT; the use of smart ICT in disaster planning and recovery; and, finally, the consideration of ways in which governments can promote the use of smart ICT to boost economic growth and productivity.

It is that final point I wish to emphasise: economic growth and productivity. Every year, literally hundreds of papers are tabled in this chamber, with most ranging from the mundane to the inconsequential. This report is not one of those. In fact, I would venture to say that this report will be one of the most important to be tabled in the life of the 44th Parliament. This report is, after all, about the future of Australia, the future of Australia's infrastructure, the future of Australia's productivity and the future of Australia's economy. The report is a road map for the future of infrastructure delivery and utilisation in Australia and, through its 10 recommendations, sets out a detailed and evidence based approach to the transformation of infrastructure design and planning in Australia through the use of smart ICT.

The emergence of smart ICT in the delivery of infrastructure is one of the most tangible representations of Australia's burgeoning ideas boom, and the gains that it will bring to Australia's productivity will be, without exaggeration, immense. Consider for a moment some of the evidence submitted by witnesses to the inquiry with respect to the productivity gains brought about by the use of smart ICT in infrastructure. Urban Circus, which recently ran a workshop with Main Roads in Western Australia, spoke about the significant savings in cost and time made through the use of building information modelling, known as BIM, and geospatial information and how the optioneering phases for particular Main Roads projects were taking up to a year because each time an alternative route was considered there was an additional cost of $100,000 and a one-month delay while new surveys were conducted. Through the use of BIM and geospatial information, all alternative routes were able to be considered in one meeting, saving the department literally hundreds of thousands of dollars in survey costs and bringing projects forward by months.

Aurecon also spoke about how BIM reduces lead times for major capital infrastructure projects. BCE Surveying spoke about the integration of BIM with mobile laser scanning, or MLS, and how, through the use of MLS, the time taken to survey a one-square-kilometre site is reduced from 16 hours to just two. In addition to the financial savings, the use of MLS surveying reduces disruption to road users, and environmentally sensitive areas are left undisturbed. Geoscience Australia noted UK savings of 840 million pounds in the 2013-14 year just from the use of BIM technology in the delivery of infrastructure. The Queensland University of Technology, AECOM, the Spatial Industries Business Association and Geoscience Australia all estimated typical cost savings of between 15 to 20 per cent of total project costs through the use of BIM. Imagine what it would mean for Australia, for our cities and for our regions if the government were able to extend the performance of its infrastructure
spending by 20 per cent. The economic impact would be enormous and the possibilities are endless.

These are just some of the examples of the transformative effect that smart ICT will have on the delivery of infrastructure in Australia and, indeed, on the Australian economy as a whole. But the smart ICT integration will only happen through leadership, and without leadership in this space the productivity gains being experienced in other economies around the world will not be achieved here in Australia. What this inquiry and, indeed, the report set out to do was map the use of smart ICT in the delivery of infrastructure at the present time and set out a blueprint for the further expansion of smart ICT through political leadership.

The report makes 10 recommendations to the government, and I will touch briefly on some important points. First and foremost, the committee has recommended that the Australian government lead the formation of a smart infrastructure task force led by Infrastructure Australia and modelled on the very successful UK BIM Task Group. The task force would be charged with responsibility for coordinating and implementing smart ICT in the design, planning and development of infrastructure and the maintenance and optimisation of existing infrastructure. The task force would also be responsible for developing a national strategy to accelerate the adoption of smart ICT and engage Australia with international experience and best practice.

The task force would be responsible for the development of national protocols for the collection, management and release of infrastructure related data, including the sale of data. The committee has nominated the National Archives of Australia as the most appropriate body to oversee the development of a whole-of-government strategy for the collection, management, storage and security of data. The National Archives already leads the world in digitisation of records so already has the infrastructure in place to handle the storage of this material as well as existing security protocols for appropriate access and use.

The committee has also recommended that the Department of Infrastructure and Regional Development, the Department of Communications and the Arts, and Geoscience Australia continue to build smart ICT capacity in partnership with industry and that the Australian government, through COAG, work with state and territory governments to develop a national approach to the application of smart ICT. In the area of infrastructure procurement and prioritisation, the committee has recommended that the Australian government mandate the use of BIM for all infrastructure projects in receipt of Commonwealth funding where the total project cost exceeds $50 million.

The committee has also recommended that the Department of Infrastructure and Regional Development adopt the practice of examining whether the use of smart ICT in optimising the operation and maintenance of existing infrastructure assets can provide a more cost-effective solution than their physical replacement or upgrade. The committee received evidence throughout the inquiry that, in many cases, particularly with respect to transport infrastructure, optimisation of the existing asset through the use of smart ICT can provide the same desired effect, such as easing traffic congestion, at a fraction of the cost of the replacement or upgrade of the asset. The committee has also recommended that the Australian government invite Infrastructure Australia to consider the use of smart ICT in infrastructure as a means of identifying savings.
These recommendations provide the Australian government with a blueprint for the full implementation of smart ICT in the delivery of infrastructure. The 10 recommendations—if they are accepted by the Australian government—will deliver unprecedented gains in productivity and change the way we think about infrastructure. The economic imperative of embracing smart ICT in the design and planning of infrastructure cannot be overstated. Failure to act now will cost our economy billions of dollars in lost productivity and it will cost the government—indeed, the Australian taxpayer—billions of dollars in wasted infrastructure spending.

I strongly encourage the government to accept in full the committee's recommendations. I commend this report to the House.

Mr THISTLETHWAITE (Kingsford Smith) (11:22): I am very pleased to follow Ms Prentice, who did a wonderful job chairing this very important inquiry. I wholeheartedly support the comments that have been made by the former chair of the committee. This was a very interesting inquiry to be involved in. It highlighted for all members of the committee the importance of the government taking a proactive approach when it comes to encouraging the use of smart ICT, particularly building information management systems, in the procurement of work associated with the government but also the benefits for the private sector. There is no doubt that a greater uptake of smart ICT and BIM in planning and in building and construction, both in the private sector through the construction of private facilities and in the public sector, particularly through the construction of infrastructure, will deliver great productivity benefits to our nation and grow our economy.

I was pleased to be involved as the deputy chair in this inquiry. The 10 recommendations contained in the report are precise and thorough and have bipartisan support to move forward. I support the comments of the former chair in saying that the government should give wholesome consideration to these recommendations and adopt them in full because they will make a difference to the way in which we plan and produce in particular infrastructure in this country that will deliver productivity benefits.

I note that, in recommendation No. 2, the committee stated that the Australian government proposed that the smart infrastructure task force take responsibility for the national coordination of the development of national protocols for the release of infrastructure related data in both the government and private sectors including creating mechanisms for the brokerage or sale of private data, and the development of standards for the collection and management of infrastructure related data including metadata standards and an objects library. The issue of information and what we do with it, who it is available to and how it is accessible came before the committee. The issues associated with security of that data information and how we deal with it is why the committee has recommended that a smart infrastructure task force be responsible for dealing with these issues and recommended to government how we proceed in the future. The committee has also recommended that the Australian government recognise the public safety communications systems as critical infrastructure and continue to support the development of these systems including funding research, promoting implementation and providing national coordination.

In terms of encouraging the uptake of smart ICT in our community the committee has recommended that the Australian government lead the formation of a suitably qualified and resourced smart ICT task force led by Infrastructure Australia—and that is an important
link—on the model of the UK BIM Task Group, representing governments at all levels, academia and industry, to provide for the coordination and implementation of smart ICT in the design, planning and development of infrastructure and in the maintenance and optimisation of existing infrastructure. This task force would act as a coordinator or conduit for the development and implementation of policy nationally, including the development of industry and product standards and training and education. The task force would have responsibility for the development of a national strategy to accelerate the adoption of new technologies and innovations and engage Australia with international experience and global best practice.

Further, to encourage the uptake of smart ICT, the committee recommends that the government, as part of its infrastructure procurement processes, require BIM, building information management, systems on all major infrastructure projects exceeding $50 million in cost that receive Australian government funding, including partially funded federal government projects in partnership with state, territory and local governments. That is a proactive mechanism to ensure that Australia is doing all it can to encourage greater uptake of smart ICT, particularly in the development of infrastructure. The evidence that came before the committee was that the process that has been put in place in the UK through their BIM Task Group has been successful in encouraging a greater uptake of smart ICT. Figures were presented on the productivity benefits that have flowed to the UK economy through the development of such mechanisms.

I might add that this is an issue that Labor have been conscious of for some years. I know that the former Minister for Transport and Infrastructure, the member for Grayndler, spoke in this debate prior to me and mentioned some of the reforms that Labor undertook whilst we were in government. I see these recommendations as building on that foundational work that was done by Labor. Labor have announced that any submission to Infrastructure Australia in respect of an infrastructure project should have a smart ICT element to it, particularly BIM and other reports that support the recommendations made in this committee through the uptake of smart ICT.

On the whole, this was a very interesting inquiry to be involved in and one that provides great opportunities for the Australian government to unleash productivity in our economy and to unleash a greater uptake of smart ICT to grow our economy. It has the wholehearted support of the Labor Party and I commend the report to the parliament.

**Ms MARINO** (Forrest—Chief Government Whip) (11:29): I am very pleased to rise in support of this report into smart ICT. As other members have noted, it was a fascinating inquiry to be part of, and I am particularly proud of the recommendations that have been made. I want to acknowledge the work of the former chair of the committee who chaired this particular inquiry, the member for Ryan. She was a very effective chair. I acknowledge the work of the member for Hinkler as well and other members on that committee. It was a very bipartisan approach to the inquiry and I believe the body of work that has come out of that is a testament to not only the work that was done, the cooperation that we saw on that committee, but also the strength of those who gave evidence and provided submissions. The recommendations fit into the government’s innovation agenda, and there is certainly a lot for the future of Australia contained in this report. We know that smart information and
communications technology has the potential to transform the way we plan and manage infrastructure. This is part of the report.

BIM, Building Information Modelling, brings the construction industry and other industries into the digital age. There was a definition given by Autodesk. They said:

In BIM processes, these intelligent, 3D project models serve as the principal means for communication between project activities and collaboration between project teams, as well as the foundation for advanced analytics, simulation and visualization to optimize designs to achieve desired outcomes.

They went on to say:

This model can be shared between the design team (architects, surveyors, civil and structural engineers), then handed to the main contractor and subcontractors, and finally the owner/operator. Each team adds discipline-specific data to the project model.

So it reduces costs, it reduces information losses and it will provide more extensive lifestyle information for the owners of the particular piece of infrastructure.

I was very pleased with all of the recommendations and I encourage the government to adopt them. One of the things I found particularly useful in smart ICT is the development of disaster planning and emergency response systems. If this information were available to those who were managing, perhaps, the emergency of the floods in Brisbane they may have known the point at which every front door was going to flood. What an opportunity that would provide in managing such an emergency situation.

The committee recommended that the Australian government lead the formation of a smart infrastructure task force, led by Infrastructure Australia, on the model of the UK BIM Task Group. That would represent governments at all levels, academia and industry, providing coordination and implementation of smart ICT in the design, planning and development of infrastructure, as well as the maintenance and optimisation of existing infrastructure. The lifetime management of infrastructure is quite critical and a lot of cost is in that space. I see smart ICT as a critical component of managing those costs.

The committee also recommends that the Australian government require BIM to LOD500 on all major infrastructure projects, exceeding $50 million in cost, receiving government funding, including projects partly funded in partnership with state, territory or local governments. It focuses on tendering mechanisms that will basically facilitate this outcome on a project-by-project basis with a view to ultimately establishing BIM as a procurement standard. That is a very practical recommendation. We also recommended that the Australian government appoints and resources the National Archives to oversee the development of a whole-of-government strategy for the collection, management, storage and security—which is a critical issue—of data related to design, planning, operation and management of infrastructure. The recommendation to work with state and territory governments to develop a national approach to the application of smart ICT in the design and planning of infrastructure is another key recommendation.

I would like to reflect on the comments of one of the witnesses from my electorate, BCE Surveying, on their mobile laser scanning. I would recommend this one—it is a state-of-the-art, vehicle-mounted system combining high-resolution photography with highly-accurate laser and a very highly-accurate GPS system. This is innovative technology. It is a major advancement and has the potential to change significantly the way that people capture this type of information. From the beginning of the life cycle they can be used in anything, from
smart cars to automated transport systems, automated vehicles and mine site automations. This is of some of the evidence we had from BCE.

Of course, this system is incredibly accurate. Through refinement and development, BCE has been able to achieve survey-grade accuracy with a mobile laser scanner—survey grade! That is an incredible piece of technology. Mr Purcell from BCE said that it is the solution waiting for some problems. You can just see it being used in the capture of as-built and as-constructed information, for inventory assessment, inspection audits, encroachment and dilapidation, and for analysis and asset management. There are many applications, and as a government we really need to facilitate the use of this type of technology.

We heard how BCE, using a mobile laser scanner, can survey a one-square kilometres site that previously would have taken 16 hours in just two hours. And there is the practical side of it on the roads: the data is captured with no impact or disruption to road users. Surveyors are no longer required to venture into traffic and there is no need for lane closures and other controls. And the data capture is rapid, which minimises effort and exposure in the field. This really is transformative technology that needs to be used by the government.

Our conclusion is that smart ICT not only has the potential to transform many aspects of our daily lives but it is actually in the process of doing that. The modelling with BIM can achieve savings and improve the efficiency of construction processes, and it reduces waste of time and materials and increases productivity. It can manage the facilities after construction, to be more efficient in maintenance and upkeep and in day-to-day use.

As I said, disaster planning is a very key part of this. Smarter ICT offers a range of opportunities for efficiencies and improvements in a broad range of sectors—not just for transport networks and infrastructure but also in urban and rural planning, agricultural productivity, water, energy, local government services and in construction. It has enormous potential.

In the time that is left to me, I really want to thank the witnesses and thank the other members of the committee, who brought open minds to this process. I thank the secretariat for their work and I commend all the recommendations that have been made by the committee to the government in full.

Debate adjourned.

**National Capital and External Territories Committee**

**Report**

Debate resumed on the motion:

That the House take note of the report.

Mr SNOWDON (Lingiari) (11:38): It is my pleasure to be able to address this chamber on the inquiry into the governance of the Indian Ocean territories and on the final report, *Economic development and governance* from this committee. I note that my colleague across the chamber is part of that committee and was involved in some of the deliberations.

I want to thank all the committee members for their work, and the chair for his oversight of the committee's operations. I also thank the committee secretariat for the good work they have done and continue to do on an ongoing basis.
Clearly, I want to thank members of the Indian Ocean Territories community, and those with an interest in that community, for their submissions and their continuing interest in those territories, which are a very important part of Australia yet little known by many. The territories, of course, form part of my electorate of Lingiari. I was first elected as their federal member in 1987 and was subsequently Parliamentary Secretary (Territories) during the Keating government, so I had additional responsibilities as well as being their local member. I have a very deep understanding of those communities, how they operate and their frustrations.

I think what this report demonstrates is the need for government to appreciate the importance of its recommendations and to understand that there is an element of frustration among the citizens who live on Christmas and the Cocos over the failure of governments—successive governments, not a government of any particular persuasion—to act upon recommendations that have been made by this committee in previous reports. Indeed, one observation that has been made by citizens is, 'It would be good if they actually looked at the recommendations of the previous report, some of which are mirrored in the current report.' So it is important that government take these recommendations seriously and appreciate that they do not come from a partisan perspective but reflect the bipartisan view of the committee members and their belief that the report they have tabled and its recommendations require the full attention of government and response in a timely manner. Sadly, this has not always been the case.

There are major recommendations in this report over a number of areas: land management and development; service delivery arrangements; and governance, including the role of the administrator. For those who do not know, these territories are rather unique. They do not form part of any state; they are Commonwealth territories. In the case of the Indian Ocean Territories, quite differently from Norfolk Island, since the early 1990s there has been an arrangement whereby Western Australian law as it is developed from time to time operates as state law—but under the aegis of the federal minister—in the communities of Christmas and the Cocos Islands. That places a particular imperative upon this parliament to understand that the minister responsible for external territories is in fact the minister for all things state-like that are passed through the Western Australian parliament. They can all be altered, effectively by regulation, by the federal minister. So, while the citizens of Christmas and the Cocos do not have representation in the Western Australian parliament, their representative in this parliament—in this case me—has a right and a responsibility to represent their interests around state-type issues with the federal government, because the federal government is ultimately responsible.

Some argue that Christmas and the Cocos should be part of a state jurisdiction, which may well be where we arrive at some future point. Currently that is not the case. What operates is a set of service delivery arrangements with the Western Australian government. When this arrangement was first entered into in the early 1990s, when I did have responsibility, there was an extensive process of negotiation and, most importantly, consultation with the communities of Christmas and the Cocos around legislation that would apply from time to time as a result of the Western Australian government passing legislation. More importantly, the communities were involved in determining what these service delivery arrangements might look like. That is simply not the case at the moment. Again, that is not a reflection on this particular government; it is a reflection on successive governments who have dropped the
ball since the Howard government was elected in 1996. The delegations which then operated through the Administrator on Christmas and Cocos changed. There were two administrators previously and then there was a single administrator for both islands. The delegations which operated through the Administrator, which meant there was ongoing discussion and consultation within the community and reporting directly back to the minister, changed. And so the delegations then rested within the department. That has been a significant issue and a great source of frustration, which is reflected in the recommendations of this report.

Throughout the inquiry the committee heard from many witnesses that the consultation conducted by the department was inadequate. As I said, of particular interest are the service delivery arrangements for the provision of state type services on the territories. It is important that they are engaged in discussions around these state type matters which are reflected in the service delivery arrangements around transport, health, education, business and corporations, tourism and justice. Without dialogue, consultation and engagement it is very difficult for islanders to pin down which legislation and administrative arrangements deal with their issues, what level of service delivery is provided to the islands and who is responsible for overseeing that service delivery. This is not a difficult thing to overcome but it does require the government to, if you like, release the tension by changing the way in which the delegations operate.

This committee has made a series of recommendations on delegations and service delivery arrangements. In particular, it has made recommendations about the role of the Administrator. It is my very strong view that the role of the Administrator is crucially important to the government but also to the citizens of Christmas and Cocos. The fact that that person is largely now just a figurehead is a problem. I believe very strongly that the Administrator should be seen—as he properly should be determined—as the government representative. The Administrator should be seen as having the responsibility of representing the government in all its forms on Christmas and Cocos islands and be the point of contact for all matters to do with government. It should not be done through some arrangement with Western Australia; it should happen through the Administrator, who then does the work on behalf of the community. This will require a change in the administrative structure and arrangements that currently exist—in particular, where departmental personnel are occupied in their roles whether in Canberra, in Perth or on the islands.

My view is not necessarily shared by everyone but, while I do not think we will ever see self-government in the broadest possible sense on Christmas and Cocos islands, we need to give people on those islands the capacity to have their views properly heard and properly represented every day of the week, every week of the year. We need to make sure that happens, and it can happen—by changing the arrangements to deal with the Administrator and the delegation of powers from the government to the Administrator and to the department. It also means we need to take people into our confidence. There are real prospects for economic development for these island communities but it will not happen without their engagement and their responses to questions that arise from time to time. Most importantly we need to appreciate that, good citizens though they are, they have a right—and we have a responsibility to recognise that right—to be engaged in every way in decisions that affect their daily lives. Often, they have not been. That is an issue we all share. Again, this is not an issue
that relates to the current government in particular; it is an issue that has been around for some years, and it is time it was addressed.

I commend this report to the government and I hope they respond in a timely fashion to all of the recommendations within it.

Debate adjourned.

Federation Chamber adjourned at 11:49
QUESTIONS IN WRITING

Therapeutic Goods Administration: Immunisation

(Question No. 2135)

Ms MacTiernan asked the Minister for Health, in writing, on 03 February 2016:

In respect of reports to the Therapeutic Goods Administration (TGA) of adverse events following immunisation, what action does the TGA take beyond registering the event on a database.

Ms Ley: The answer to the honourable member's question is as follows:

For a vaccine to be marketed in Australia, a sponsor must submit an application to the TGA accompanied by scientific and clinical data to support the quality, safety and efficacy of the vaccine for its intended use. The TGA undertakes thorough evaluation of the data and will usually seek the advice of an independent expert advisory committee, before making a decision to approve or reject a new vaccine. Gardasil has been approved for marketing in Australia under this process.

Once approved, the TGA undertakes a number of means to provide independent assurance of the safety of vaccines. This includes ongoing review and monitoring of batches of vaccines (and laboratory testing where appropriate), as well as post-market monitoring of approved vaccines. The primary focus of this work is to capture and investigate safety issues and to ensure vaccine sponsors have appropriate mechanisms in place to identify safety concerns that may arise once a vaccine is marketed in Australia.

The TGA is responsible for post-market vaccine safety surveillance as part of their overall function of monitoring the safety of medicines in Australia. Effective systems for the identification, reporting, and evaluation of adverse events following immunisation are essential to ensuring public confidence in major vaccination programs.

A key way to inform post-market safety and monitoring is the TGA’s adverse event database. This information is used by the TGA to help identify potential safety concerns. Where the TGA identifies any possible safety concerns, it undertakes a detailed evaluation to establish any potential issues around the possible role of vaccines or other therapeutic goods. Depending on the outcome of such reviews, this can inform any subsequent regulatory action as appropriate.

The TGA also seeks advice from the Advisory Committee on the Safety of Vaccines (ACSOV), which advises and makes recommendations to myself and the TGA on the safety, risk assessment and risk management of vaccines. This includes any possible risk mitigations or activities required (such as education and improved information) to support the safe and effective use of vaccines.

The TGA also works with state and territory health authorities, and with the Immunisation Branch of the Office of Health Protection, Department of Health, who have a responsibility for the National Immunisation Programme. The TGA shares adverse event information contained in the adverse event database with these groups, and this information is made publicly available (http://www.tga.gov.au/database-adverse-event-notifications-daen). The TGA also publishes information regarding any identified vaccine safety issues on the TGA website.