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SITTING DAYS—2012

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FORTY-THIRD PARLIAMENT
FIRST SESSION—SIXTH PERIOD

Her Excellency Ms Quentin Bryce, Companion of the Order of Australia

House of Representatives Office holders

Speaker—Hon. Peter Neil Slipper MP
Deputy Speaker—Ms Anna Elizabeth Burke MP
Second Deputy Speaker—Hon. Bruce Craig Scott MP

Members of the Speaker’s Panel—Hon. Dick Godfrey Harry Adams MP,
Mrs Yvette Maree D’Ath MP, Mr Steven Georganas MP, Ms Sharon Joy Grierson MP,
Dr Andrew Keith Leigh MP, Ms Kirsten Fiona Livermore MP,
Mr Geoffrey Raymond Lyons MP, Mr Robert George Mitchell MP, Mr John Paul Murphy MP,
Mr Robert James Murray Oakeshott MP, Ms Deborah Mary O’Neill MP,
Ms Amanda Louise Rishworth MP, Mr Michael Stuart Symon MP,
Mr Kelvin John Thomson MP, Ms Maria Vamvakinou MP,
Mr Anthony Harold Curties Windsor MP

Leader of the House—Hon. Anthony Norman Albanese MP
Deputy Leader of the House—Hon. Stephen Francis Smith MP
Manager of Opposition Business—Hon. Christopher Maurice Pyne MP
Deputy Manager of Opposition Business—Mr Luke Hartsuyker MP

Party Leaders and Whips

Australian Labor Party

Leader—Hon. Julia Eileen Gillard MP
Deputy Leader—Hon. Wayne Maxwell Swan MP
Chief Government Whip—Hon. Joel Andrew Fitzgibbon MP
Government Whips—Ms Jill Griffiths Hall MP and Mr Ed Husic MP

Liberal Party of Australia

Leader—Hon. Anthony John Abbott MP
Deputy Leader—Hon. Julie Isabel Bishop MP
Chief Opposition Whip—Hon. Warren George Entsch MP
Opposition Whips—Mr Patrick Damien Secker MP and Ms Nola Bethwyn Marino MP

The Nationals

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

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<td>Washer, Malcolm James</td>
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<tr>
<td>Zappia, Tony</td>
<td>Makin, SA</td>
<td>ALP</td>
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</table>

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

Heads of Parliamentary Departments
Clerk of the Senate—R Laing
Clerk of the House of Representatives—B Wright
Acting Secretary, Department of Parliamentary Services—R Grove
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<td>Senator the Hon Stephen Conroy</td>
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<tr>
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<td>The Hon Mark Butler MP</td>
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<tr>
<td><em>Minister Assisting the Prime Minister on Mental Health Reform</em></td>
<td>The Hon Mark Butler MP</td>
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<td>The Hon Gary Gray AO MP</td>
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<tr>
<td><em>Minister Assisting the Prime Minister on the Centenary of ANZAC</em></td>
<td>The Hon Warren Snowdon MP</td>
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<tr>
<td><em>Cabinet Secretary</em></td>
<td>The Hon Mark Dreyfus QC MP</td>
</tr>
<tr>
<td><em>Parliamentary Secretary to the Prime Minister</em></td>
<td>Senator the Hon Jan McLucas</td>
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<tr>
<td><strong>Treasurer</strong></td>
<td>The Hon Wayne Swan MP</td>
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<tr>
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<tr>
<td><strong>Minister for Financial Services and Superannuation</strong></td>
<td>The Hon Bill Shorten MP</td>
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<tr>
<td><em>Assistant Treasurer</em></td>
<td>The Hon David Bradbury MP</td>
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<tr>
<td><em>Parliamentary Secretary to the Treasurer</em></td>
<td>The Hon Bernie Ripoll MP</td>
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<tr>
<td><strong>Minister for Tertiary Education, Skills, Science and Research</strong></td>
<td>Senator the Hon Chris Evans</td>
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<tr>
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<tr>
<td><em>Minister for Industry and Innovation</em></td>
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<td>The Hon Brendan O'Connor MP</td>
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<td>Senator the Hon Kate Lundy</td>
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<tr>
<td><em>Parliamentary Secretary for Industry and Innovation</em></td>
<td>The Hon Mark Dreyfus QC MP</td>
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<tr>
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<td>The Hon Sharon Bird MP</td>
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<td>Senator Cory Bernardi</td>
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<td><strong>Shadow Minister for Foreign Affairs</strong></td>
<td>The Hon Julie Bishop MP</td>
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<td>The Hon Teresa Gambaro MP</td>
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<td><strong>Shadow Minister for Infrastructure and Transport</strong></td>
<td>The Hon Warren Truss MP</td>
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<tr>
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<td>Mr Darren Chester MP</td>
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<td><strong>Shadow Minister for Employment and Workplace Relations</strong></td>
<td>Senator the Hon Eric Abetz</td>
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<td>The Hon Sussan Ley MP</td>
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<td><strong>Shadow Attorney-General</strong></td>
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<td>Mr Michael Keenan MP</td>
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<tr>
<td>Shadow Parliamentary Secretary for Local Government</td>
<td>Mr Don Randall MP</td>
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<tr>
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<tr>
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<td>The Hon Malcolm Turnbull MP</td>
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<tr>
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<tr>
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The DEPUTY SPEAKER (Hon. Anna Burke) took the chair at 10:00, made an acknowledgment of country and read prayers.

PETITIONS

Mr MURPHY (Reid) (10:01): On behalf of the Standing Committee on Petitions, and in accordance with standing order 207, I present the following petitions:

Marriage

PETITION TO RETAIN THE DEFINITION OF MARRIAGE BETWEEN A MAN AND A WOMAN
To the Honourable Speaker and Members of the House of Representatives:
We the undersigned citizens draw to the attention of the House of Representatives assembled that the definition of marriage as "a union between one man and one woman to the exclusion of all others, voluntarily entered into for life" is the foundation upon which our families are built and on which our society stands. To alter the definition of marriage to include same-sex "marriage" would be to change the very structure of society to the detriment of all, especially children:
We, the undersigned citizens therefore request that you protect the unique institution of marriage as traditionally understood and actually lived as the complementary love between a man and a woman.
And, as in duty bound will ever pray.
from 24 citizens

Tomaree Peninsula: Hydrotherapy Facility
To the Honourable The Speaker and Members of the House of Representatives:
This petition of local residents of The Tomaree Peninsula, located in the Port Stephens Local Government Area (PSLGA), draws to the attention of the House the complete lack of hydrotherapy facilities within a 60km radius. Given the demographics of this area (i.e. highest concentration of PSLGA total population with 23% over 65 years of age, and greater than National and State average percentage of the population living with a need for assistance), we therefore ask the House to take whatever actions are within its power to enable a purpose-built hydrotherapy facility to be located on the Tomaree Peninsula.
from 863 citizens

International Development Assistance
To the Honourable The Speaker and Members of the House of Representatives:
This petition is put forward by Hornsby Baptist Church.
Around the world there are 1.4 million children that die each year from diarrhoea, an amount roughly equivalent to the child population of Australia. For these children, not being able to quench their thirst with a glass of water or find a clean toilet isn't merely an inconvenience, it's a death sentence. Things do not have to be this way. Their lives and millions of others could be saved through targeted investments in water, sanitation and hygiene (WaSH).
We are calling on the Australian government to do its fair share to ensure that these crucial investments are made, particularly in the areas of sanitation and hygiene where most attention is needed.
We therefore ask the house to increase spending on WaSH in the aid budget to $500m by 2015 and ensure at least half of this money is spent on sanitation and hygiene.
Let's do our part to WaSH away poverty!
from 74 citizens

Voting Age
To the Honourable The Speaker and Members of the House of Representatives:
Reasons: In a democracy everyone that major laws effect should be heard. The needs of young people are not considered to the same extent, despite many parliamentary decisions affecting them. At 16 young people can legally leave school and get full time work. They pay taxes and many have part time work. At 17 they can leave...
home and are legally responsible for themselves. With widespread internet use, young people have far more knowledge, maturity and responsibilities than ever before.

Many young people are passionate about political issues, particularly while they are studying these at school. This interest often dwindles by the time they reach 18. Students would be far more interested and engaged in being educated in political/legal issues if they could participate in these systems while in high school.

Young people can be considered a minority group in society and the way to change this is to protect their rights by allowing them to vote. A lot of politicians are older and are out of touch with the values of young people. This would force them to consider their views. Make Australia more democratic and representative.

Request for Action: that the age at which people become eligible to vote be lowered to 16. We request that at the ages of 16 and 17 voting be optional before it becomes compulsory at 18.

from 159 citizens

Petitions received.

Responses

Mr MURPHY (Reid) (10:01): Ministerial responses to petitions previously presented to the House have been received as follows:

Marriage

Dear Mr Murphy
Thank you for your letters of 13 February 2012 regarding two same-sex marriage petitions submitted to the Standing Committee on Petitions.

The Government notes the strong opinions on this subject. Three bills have been introduced into Parliament and have been referred to committees for investigation.

from the Attorney-General, Ms Roxon

Aviation

Dear Mr Murphy
Thank you for your letter dated 13 February 2012 about a petition requesting restriction of aircraft aerobatics near Rockingham Beach (your reference 600/989).

The Australian Government takes the management of air traffic and its associated effects on communities very seriously. Every effort is made to develop procedures and practices to ensure the safety of communities and minimise the impact of aircraft noise.

I can advise that the area around Rockingham Beach / Cockburn Sound is not a designated aerobatics area. There are three designated Low Level acrobatic areas in the Jandakot training areas:

- Murray Field (Mandurah) 500 Ft to 3,000 Ft - used for competition practice
- Serpentine 500 Ft to 5,000 Ft - used for competition practice
- Casuarina Prison 2,000 Ft - 6,000 Ft -- used for training.

The Civil Aviation Safety Authority (CASA) is responsible for aviation safety regulation in Australia and can investigate any breaches of the safety regulations.

All aircraft are required to comply with the Civil Aviation Regulations 1988, which requires aircraft to maintain a minimum height of 1,000 feet above ground level over built up areas and 500 feet over all other areas. Part 155 (Acrobatic Flight) of the Civil Aviation Regulations 1988 governs the operations of acrobatic aircraft (referred to in the legislation as aerobatics). Part 155 (3) says that a person must not engage in acrobatic flight in an aircraft:

- (a) at a height lower than 3,000 feet above the highest point of the terrain, or any obstacle thereon,
- (b) over a city, town, populous area, regatta, race meeting or meeting for public games or sports.

While Part 155 of the Civil Aviation Regulations 1988 does not prevent the use of the Rockingham area, it does prevent aerobatics over built-up areas and or below 3,000 feet above ground level.

CASA has advised that radar tracks indicate that aircraft in the vicinity of the Rockingham Beach area operate at an altitude greater than 3,000 feet,
generally operate over water and rarely directly over the populous areas of Rockingham.

Should aircraft be observed undertaking acrobatic manoeuvres above Rockingham Beach or below 3,000 feet, members of the public can report the incident to CASA on either 131 757 or via its website <www.casa.gov.au>.

CASA recently undertook a study of Perth airspace. The purpose of the study was to review the airspace within 50 nautical miles (nm) of Perth aerodrome. CASA advises that the study considered the operations of recreational and training operators, and proposed no changes in the Rockingham Beach area. A copy of the review can be found on the CASA website at:


I can also advise that Jandakot Airport has recently established an airport Community Aviation Consultation Group (CACG)—as required by the Federal Labor Government's 2009 National Aviation Policy White Paper.

The CACG was created for a number of reasons including providing an avenue for community members to have their views heard and their ideas explored about ways in which aircraft noise issues can be better managed. The group meets quarterly and I would encourage petitioners to contact it on phone number (08) 9417 0900, as it is the forum best equipped to directly address their concerns.

Further information can be found on the Airport's website: <http://www.jandakotairport.com.au>.

I would like to thank the committee for passing this petition to me for consideration.

from the Minister for Infrastructure and Transport, Mr Albanese

Petition: Sri Lanka

Dear Mr Murphy

I refer to your letter of 21 March 2012 regarding the petition on the plight of Tamils in Sri Lanka.

Australia welcomed the constructive recommendations of Sri Lanka's own Lessons Learnt and Reconciliation Commission (LLRC) to advance reconciliation and reconstruction in the country, including through devolution, reducing the presence of security forces in the North, care of internally displaced persons and ensuring media freedoms. The Australian Government has called upon the Government of Sri Lanka to implement the LLRC's recommendations within firm timeframes. Australia nonetheless remains deeply concerned that the LLRC report fails to address fully alleged violations of international humanitarian and human rights law committed by both sides to the conflict. Reconciliation cannot be achieved without full accountability for these alleged violations.

Australia co-sponsored the resolution on Sri Lanka adopted by the UN Human Rights Council on 22 March 2012, which promotes reconciliation and accountability in Sri Lanka. We support the international community in this process as it is consistent with Australia's policy on Sri Lanka. The Australian Government has urged the Government of Sri Lanka to investigate all allegations of crimes committed by both sides to the conflict in a transparent and independent manner, most recently on 12 March 2012 in our statement on situations that require the Human Rights Council's attention.

Australia's long-term goal is to assist Sri Lanka to become a stable, economically resilient and peaceful nation. Australia provides practical support for Sri Lanka to meet this goal through our development assistance ($43.5 million in 2011-12) in conflict-affected areas. Since 2009, Australia has supported the clearance of land mines and unexploded ordnance from 74 square kilometres of land and the reconstruction of 4,600 homes and 20 schools in northern Sri Lanka.

I trust that this information is of assistance.

from the Minister for Foreign Affairs, Senator Bob Carr

Statements

Mr MURPHY (Reid) (10:02): Last week I spoke about the six principles of petitioning which underpinned the House Procedure Committee’s review of the petitions process and which led in 2008 to changes to the standing orders governing petitioning. This
week I will discuss the standing orders relating to preparing a petition and the reasons why these rules exist—to reinforce the fifth principal of petitioning: ‘that the rules should be relevant and fair.’

Standing orders 204 and 205 govern, respectively, the rules for the form and content of petitions and the rules for signatures. Whilst preparing a petition should not be excessively difficult and the rules governing petitions should not prove unnecessarily onerous, there are sound reasons why these rules are necessary. For example, standing order 204 requires petitions to be addressed to the House of Representatives. A petition is a one-off document prepared for the attention of the House’s elected representatives. After a petition is tabled it becomes a House document and therefore cannot be tabled elsewhere—for example, in the Senate—nor can it be forwarded elsewhere. Therefore it must only be addressed to the House. For example, petitions addressed to the House must not also ask the Senate, specific members or ministers, the government or a political party to take action. These petitions would be considered out-of-order.

A document specifically addressed to the House allocates a responsibility for the House to respond in some way. However, a petition must refer to a matter on which the House has the power to act—if it does not have authority over a matter raised in a petition then it cannot respond. A petition to the House on a matter falling under local or state governance cannot be dealt with by the House. This is because the federal government does not have the power under the Constitution to take action and therefore the request of the petition cannot be answered.

This brings us to another facet of standing order 204: the petition must contain a request for action by the House. A request for action cannot merely be a statement such as, ‘We disapprove of the policy,’ nor can it be an aspiration like, ‘We want everyone to be artistic,’ and it cannot be a threat of petitioner action.

Petitions must contain a reason for petitioning the House. This not only clarifies the request for action and ensures a thorough response to the matter but it also ensures resources are not wasted on frivolous or vexatious petitions. Similarly, standing order 204(c) stipulates that the language used in a petition must be moderate and it cannot request something that is illegal or promotes illegal activity.

The terms of a petition must not contain any alterations. This is to ensure that the original intent of the petition was not subsequently changed after signatories signed their support. Petitioners cannot retrospectively change words or make additions either by pasting or penning attachments. This rule keeps the process authentic, as does the requirement that a petition must be in English or accompanied by a certified translation.

The terms of a petition must not exceed 250 words. Although this may seem overly succinct, it is done for good reason—to ensure the matter is able to be concisely conveyed to the House and to provide a standardised approach so no petition is favoured over another. Similarly, letters, affidavits and any other documents, including photographs, do not form part of a petition and will be removed before tabling.

Standing order 204 states that the terms of a petition must be placed at the top of the first page and, per standing order 205, the first page must also state the full name and address of a clearly identified individual who organised the petition. This principal petitioner must sign the page using their
handwritten original signature. Should the principal petitioner be a corporation, the official common seal of the company must be affixed instead of a signature.

Per standing order 204, all subsequent pages must have the request of the petition written at the top of each page, preceding names and signatures. And in line with standing order 205, no signatures can be copied, pasted or transferred. The rationale for this is that people signing petitions are actually signing to the cause identified, rather than on a blank page which could be used for any number of other petition requests or other invalid purposes. Signatures on the reverse of pages with terms on one side are also out of order—again, to ensure the genuine intentions of the signatories.

All signatures to the petition must be original handwritten versions written by the person whose name appears beside it. Only a petitioner incapable of signing may ask another person to sign on his or her behalf. This would be in the most exceptional of cases. This is because a person should only be bound by a petition which they understand and have actually signed for themselves. It ensures the validity of signatures. This is why, even though no age requirements are stipulated, young children are not appropriate signatories to petitions.

Finally, but in no way the least important, a member of the House of Representatives, per standing order 205(c), is unable to be a principal petitioner—and they cannot sign a petition either. This ensures the spirit of petitioning is maintained—that petitioning is undertaken by citizens to their elected representatives. This rule also maintains the independence of members who may be asked to assist petitioners with the requirements of petitioning, or to deliver a petition to the Petitions Committee.

I will speak more on members' roles in the petitioning process in my next statement in June.

PRIVATE MEMBERS' BUSINESS

Reference to Federation Chamber

The DEPUTY SPEAKER (Ms AE Burke) (10:09): In accordance with standing order 41(g), and the recommendations of the Selection Committee, I present copies of the terms of motions for which notice has been given by the honourable members for Hindmarsh, Wide Bay, Lyons, Parkes, Kingston and Cowper. These items will be considered in the Federation Chamber later today.

COMMITTEES

Climate Change, Environment and the Arts Committee

Report

Mr ZAPPIA (Makin) (10:09): On behalf of the Standing Committee on Climate Change, Environment and the Arts, I present the committee's report entitled Case Studies on Biodiversity Conservation: Volume 1; First interim report of the inquiry into Australia's biodiversity in a changing climate.

Ordered that the report be made a parliamentary paper.

Mr ZAPPIA: by leave—In June last year, the Standing Committee on Climate Change, Environment and the Arts commenced an inquiry into Australia's biodiversity in a changing climate. The inquiry's terms of reference are very broad, and they encompass: terrestrial, freshwater and marine biodiversity; the connectivity between ecosystems as a potential measure for biodiversity conservation; how biodiversity loss might affect human communities; enhancing our ability and the capacity of ecosystems to adapt to climate change; the sustainable use of natural
resources; the adequacy of governance arrangements; and enhancing the community's engagement with the subject of biodiversity.

With such expansive terms of reference, the committee considered an extensive inquiry process to be most appropriate. The committee also decided that it would be appropriate to present an interim report in order to update the House on the inquiry's progress. Similarly, the committee felt that an interim report would allow those outside the parliament to follow the progress on aspects of the inquiry, particularly those individuals and organisations who have contributed to the inquiry by making submissions, facilitating visits and giving evidence at public hearings.

Before moving on to the content of the report, I should add that the committee chose to present this first interim report during the winter sittings of the House in anticipation of the United Nations Conference on Sustainable Development being held next month. This so-called 'Rio+20' conference marks 20 years since the world's focus on environmental conservation and sustainable development shifted significantly—the Earth Summit was held in Rio de Janeiro. One of the key international agreements on biodiversity conservation came out of that summit, the Convention on Biological Diversity. The presentation of this report is therefore timely. It also highlights the relevance of the committee's inquiry to the broader framework of biodiversity conservation internationally.

In relation to the progress of the inquiry itself, since its commencement in June last year, the inquiry has received 81 submissions, 52 exhibits, and numerous additional documents. To date, evidence has been received from: environmental organisations, state and territory government departments, federal government bodies, natural resource management bodies, academics, natural history museums, and interested individuals. I might add that the committee has been very impressed indeed with the breadth and depth of the evidence it has received to date.

The committee has held seven public hearings in Canberra, Perth, Hobart, Sydney, Melbourne and Adelaide. The committee has carried out numerous site inspections around the country, gathering evidence on case studies in biodiversity conservation. This first interim report of the inquiry sets out the committee's site visit activities in: south-west Western Australia; the Tasmanian midlands and central plateau; the New South Wales Snowy Mountains region; and Sydney.

As the committee still has a considerable forward work program planned, it was the wish of the committee to avoid pre-empting future evidence or deliberations. The report therefore takes a narrative approach to detailing the committee's activities, but refrains from detailing broader conclusions or making recommendations at this stage.

The committee's site inspection program has been shaped by several key principles. The committee agreed it was important to carry out activities in each state and territory to look at different types of ecosystems as recommended to the committee in submissions to the inquiry and investigate the different impacts of climate change in different regions with a particular focus on biodiversity and climate change hot spots. While noting the differences across regions and ecosystems, the inspection program has also given the committee the opportunity to see commonalities in the challenges faced in each region—for example, changes in rainfall patterns, changes in fire regimes as a result of land use and climate-driven factors—and the impact of disease and pest control.
were threats to biodiversity observed throughout various site visits. What is clear from the site inspections is that the effects of climate change on Australia's unique biodiversity are not certain and not uniform. This is a challenge the committee will face throughout this inquiry and it is also a challenge to policymakers and land managers on the ground.

Finally, I would like to record my thanks to members of the committee who have worked together in a bipartisan and collegiate way. I also thank the committee secretariat, made up of Julia Morris, Peggy Danaee, James Nelson, Peter Pullen, Julia Searle and newcomer Susan Dinon for their terrific support of the committee's work. I look forward to updating the House again in the future on this inquiry's progress. I commend the report to the House.

Dr WASHER (Moore) (10:14): It is a pleasure to follow the Chair of the Standing Committee on Climate Change, Environment and the Arts, the member for Makin, and speak on a few more specific aspects about the report titled Case studies on biodiversity conservation, volume 1. South-west Western Australia is one of Australia's 15 national biodiversity 'hot spots' and the only Australian biodiversity hot spot that is recognised by Conservation International. South-west WA has been identified as one of three areas worldwide containing 'very old, climatically buffered, infertile landscapes', known for their highly fragmented ecological communities with large numbers of endemic species. These species are particularly vulnerable to rapid climate change due to their evolution under climatically buffered conditions over the past tens of millions of years.

This area has undergone problems of changed rainfall patterns, tree decline, phytophthora dieback, reduced groundwater and connectivity between ecosystems. There was evidence of a drying trend in rainfall and stream flow patterns across south-west WA. Also, changes in rainfall seasonality and intensity have led to dramatically reduced amounts of run-off. Rainfall has reduced by nine per cent in the past 10 years and this has resulted in a 46 per cent reduction in stream flow compared with in previous decades.

Over the past decade, south-west WA has been experiencing widespread declines in a range of woodland tree species, including tuart, wandoo, WA peppermint, jarrah and marri. Exact mechanisms leading to these declines are uncertain, but they are at least partially due to the hotter and drier conditions attributed to climate change in the area. During the summer of 2010-11, the area experienced a mass collapse of around 18,000 hectares of northern jarrah forest, a key overstorey species, coinciding with a period of high temperatures, the driest year on record and the unprecedented ceasing of flow in both 'permanent' and ephemeral streams.

Marri trees are in decline and are a key species which a number of other threatened species, including the Carnaby's black cockatoo, depend on for food. While the precise causes for marri tree decline are unknown, researchers have suggested that the drying climate has increased the susceptibility of trees to such existing stresses, to the extent that pathogens are now more capable of killing the trees. Many forests have unnaturally high densities of young trees due to past timber harvesting, resulting in high water usage and higher susceptibility to tree decline under drought conditions. To regenerate tuart trees, Western Australian peppermint trees need to be burned to create a suitable ash bed. As peppermint trees provide important habitat for the threatened western ringtail possum, this creates a quandary.
Phytophthora dieback refers to the phytophthora cinnamomi pathogen, a waterborne mould which thrives in moist and warm soil environments within this Mediterranean climate. As many as 2,000 out of the estimated 9,000 plant species in south-west WA are susceptible to phytophthora dieback. Phytophthora dieback was described as a 'biological bulldozer' because of the severity and extent of its effect on native ecosystems. Low-nutrient, fragile soils favoured by phytophthora are also the sites of some of Australia's richest biodiversity, such as the heavily infected Stirling Range National Park. An increase in the proportion of rainfall falling during summer months in south-west WA due to climate change may exacerbate the threat of phytophthora.

There are similar problems emerging in the Tasmanian Midlands. The miena cider gum, endemic to the Central Plateau, is sensitive to the effects of drought, which has led to the death of mature trees in relatively large patches since the mid-1990s. With increased temperatures it is thought that most miena cider gums are now highly stressed by the end of each summer and need substantial rain in autumn in order to recover. These autumn rains are now delayed and diminished. So with urban clearing now exceeding agricultural tree clearing and climate change stressing trees, causing susceptibility to disease, the prognosis for tree species in many parts of Australia is dismal.

Professor Stephen Hopper, Director, Chief Executive Officer and Chief Scientist at Kew Royal Botanic Gardens, discussed with me on site the serious effects of climate change on biodiversity. Dr Hopper will take up a post at the University of Western Australia later this year as professor of biodiversity and will hopefully encourage better research and improved management of the serious tree decline in south-west Western Australia.

I also wish to thank the chair, the committee and the secretariat for their hard work on this inquiry.

The DEPUTY SPEAKER (Ms AE Burke): Order! the time allotted for statements on this report has expired. Does the honourable member for Makin wish to move a motion in connection with the report to enable it to be debated on a future occasion?

Mr ZAPPION (Makin) (10:20): I move:
That the House take note of the report.

The DEPUTY SPEAKER: In accordance with standing order 39 the debate is adjourned. The resumption of the debate will be made an order of the day for the next sitting.

Report and Reference to Federation Chamber

Mr ZAPPION (Makin) (10:20): I move:
That the order of the day be referred to the Federation Chamber for debate.

Question agreed to.

Intelligence and Security Committee

Report


In accordance with standing order 39(f), the report was made a parliamentary paper.

Mr BYRNE (Holt) (10:21): The current regulations to re-list these organisations were signed by the Governor-General on 8 March 2012. They were then tabled in the House of Representatives and the Senate on 13 March 2012. The disallowance period of 15 sitting
days for the committee's review of the listing began from the date of the tabling. Therefore, the committee was required to report to this parliament by tomorrow, Tuesday, 29 May 2012.

When the relisting of these four organisations was previously reviewed by the committee in June 2009, the relisting of a fifth organisation, Asbat al-Ansar, was also reviewed. The Attorney-General advised in a letter dated 22 February 2012 that she had decided not to relist this organisation as a terrorist organisation under section 102.1 of the Criminal Code as she was satisfied on reasonable grounds that there was insufficient contemporaneous information from classified and open sources to demonstrate that this organisation satisfied the legislative criteria for proscription under the Criminal Code. I would now like to take this opportunity to outline some brief information on each organisation and I will also outline the committee's findings in relation to each of these four organisations.

With respect to Ansar al-Islam, it plans and conducts attacks against foreign forces, and Shia, Kurdish and Iraqi government interests. AAI's attacks most commonly target US and Iraqi security forces in Iraq, using improvised explosive devices and indirect fire attacks. The statement of reasons lists over 50 attacks for which AAI have indicated responsibility, by posting a video or media statement, in the period since the last review. Their methods have included assassinations, the use of small arms, thermal grenades, and IED and mortar attacks against Iraqi police and military personnel and against US military patrols, bases and vehicles. The committee does not recommend disallowance of the regulation in relation to this organisation.

The Islamic Movement of Uzbekistan is a militant Islamist group based and operating in central and south Asia. The group established relations with the Taliban and al-Qaeda, and allegedly became extensively involved in narcotics trafficking. One of its founders, Namangan, was killed during the US led invasion of Afghanistan in 2001, and the remnants of the IMU fled across the border to the Federally Administered Tribal Areas of Pakistan. Although its capabilities were severely degraded, the following years saw the IMU regroup in the South Waziristan area of the FATA, where it established close links to a number of Pakistani Taliban groups and reportedly participated in cross-border attacks on the International Security Assistance Force in Afghanistan. Notwithstanding increasing pressure from ISAF and Pakistani security forces, reports throughout 2010 indicated that the IMU had re-established an operational presence in northern Afghanistan, and the group also claimed responsibility for a series of attacks in Tajikistan. The committee does not recommend disallowance of the regulation in relation to the IMU.

With respect to the third organisation, Jaish-e-Mohammed, the statement of reasons indicates that the JeM is based in Pakistan and operates primarily in Indian Administered Kashmir. JeM operatives have been involved in attacks against civilian and military targets in Afghanistan, India and Pakistan. JeM attacks have included suicide bombings in 2001 and 2003, with most attacks since that time involving grenades and firearms. JeM continues to concentrate its efforts against Indian security forces, government installations and civilians in the disputed territory of IAK. In addition, JeM has broadened its operational focus to join the Afghan Taliban in attacks against government and coalition forces in Afghanistan. The committee does not recommend disallowance of the regulation in relation to JeM.
With respect to Lashkar-i-Jhangvi, Jane's Terrorism and Insurgency Centre states that LeJ activities have been curbed following the arrest of key leaders and the particular focus of the military and police authorities on the group, resulting in the arrest of hundreds of activists. Following the killing of al-Qaeda leader Osama bin Laden in May 2011, the LeJ vowed to conduct a series of retaliatory attacks. To this end, a spokesman for the LeJ, identifying himself as Ali Sher Haidri, released a statement in mid-May 2011 threatening to avenge bin Laden's death by targeting not only government ministers and security force personnel but also Shia Muslims from the ethnic Hazara community in Pakistan. The LeJ followed through with these threats with a series of significant attacks in and around Quetta between May and July 2011. The statement of reasons lists 12 acts of terrorism attributed to or suspected of being perpetrated by LeJ. The committee does not recommend disallowance of the regulation in relation to LeJ.

In the time remaining, I would like to take the opportunity to thank my fellow committee members, including the deputy chair, Philip Ruddock, and the secretariat, Jerome Brown, Robert Little, Cathryn Oliff and Jessica Butler for their work in reviewing these and other terrorist organisations. I would also like to make a point about Daryl Melham who served on the committee until March this year, a significant service to a significant committee, which has been noted. (Time expired)

Mr RUDDOCK (Berowra) (10:25): First, I endorse the comments of the chair and thank him for acknowledging our colleague, who is no longer a member of the Parliamentary Joint Standing Committee on Intelligence and Security, and for his comments about the professional staff who assist us. It is very important that committees are well served, particularly in this area of public policy.

It is important to recognise that what we are doing is listing organisations that are undertaking terrorist activity. It has consequences for Australians when organisations are listed as terrorist organisations. It certainly is relevant to the support of such organisations, the membership of them, the financing of them, and it makes the prosecution of those who may be engaged in such activity much easier when organisations have been proscribed.

That has very significant consequences for Australians and it is important that people are aware that organisations, when listed, are the subject of continuing review as to whether or not that should continue. That is what we are about: these four organisations under review were initially listed as terrorist organisations in 2003. It was the case that those legislative arrangements required that organisations be proscribed that had been identified by the United Nations, in particular, as being terrorist organisations. These organisations came up for review under new legislative arrangements passed in 2004, and therefore the committee reviewed the first relisting of these organisations in 2005, in 2007, in 2009 and in 2011. This is the fourth review of these organisations.

Why is it that they have been listed? It is very important to look at the relevant criteria. They have to engage in terrorist activity. They have to have ideology or links to other terrorist organisations and networks. Those links have to be relevant to Australia; there have to be threats to Australian interests. Proscription by the UN or like-minded countries is also a relevant matter. This report deals with the four organisations mentioned.

When you go through the material, it is quite relevant that each of them has had
some implications for Australians in Australia or serving abroad. Ansar al-Islam conducts attacks against foreign forces and often uses IEDs. It claimed responsibility for the suicide attack that killed an Australian cameraman, the ABC’s Paul Moran in Iraq, in 2003. It regularly releases statements advocating violent jihad. The Islamic Movement in Uzbekistan is a militant group in central and south Asia. It gained a profile in 1999 to 2000 with attacks in Tajikistan and Kyrgyzstan. It is now located in northern Afghanistan and supports the insurgencies in Afghanistan and Pakistan, including attacks on coalition forces, identified particularly in 2010 in Kunduz province. Pakistan based militants Jaish-e-Mohammed, operating in Indian Administered Kashmir, have targeted civilian and military targets in Afghanistan, India and Pakistan, including with suicide bombings, and it supports the insurgencies in Afghanistan and Pakistan which places Australian Defence Force lives at risk. The last organisation, Lashkar-i-Jhangvi, is a significant threat to Shiah, Pakistan and Western government targets. It made a double suicide attack in 2010 that left 44 civilians dead in Pakistan; it vowed retaliation following the death of Osama bin Laden and it conducted significant attacks near Quetta including small arms attacks. It supports the insurgencies in Afghanistan and Pakistan which could put the lives of Australians at risk. It is relevant that these organisations are still engaged in terrorist activity and they ought to be proscribed.

The DEPUTY SPEAKER (Ms AE Burke): Time allotted for statements on this report has expired. Does the honourable member for Holt wish to move a motion in connection with the report to enable it to be debated on a future occasion?

Mr BYRNE (Holt) (10:31): Madam Deputy Speaker, I move:

That the House take note of the report.

The DEPUTY SPEAKER: In accordance with standing order 39, the debate is adjourned. The resumption of the debate will be made an order of the day for the next sitting.

Report and Reference to Federation Chamber

Mr BYRNE (Holt) (10:31): I move:

That the order of the day be referred to the Federation Chamber for debate.

Question agreed to.

BILLS

National Integrity Commissioner Bill 2012

First Reading

Bill and explanatory memorandum presented by Mr Bandt.

Mr BANDT (Melbourne) (10:31): In recent weeks and months this parliament, the media and it seems perhaps the whole country has been obsessed about allegations against some of the members of this place. Unfortunately this is not the first time allegations have been made about parliamentarians or public servants and it probably will not be the last. That is why the Greens believe we need a National Integrity Commissioner and that is why I introduce this bill today.

In fact, this bill could be the silver lining out of the current ongoing saga: a long-lasting reform of our laws to deal with corruption and integrity.

The bill creates a national commission through the establishment of the National Office of Integrity Commissioner, comprising three elements—the National Integrity Commission, the existing Australian Commission for Law Enforcement Integrity (ACLEI) and a new Office of the Independent Parliamentary
Advisor. The National Integrity Commission is established as an independent statutory agency.

The bill provides, in a comprehensive legislative framework, a critical addition to the national integrity system through the establishment of a National Integrity Commission to enable the investigation and prevention of misconduct and corruption in all Commonwealth departments, agencies, and by federal parliamentarians and their staff. The bill brings together and co-locates this function with the independent oversight functions of the Law Enforcement Integrity Commission for the investigation and prevention of corruption in the Australian Federal Police and the Australian Crimes Commission, thus creating an integrated federal approach to misconduct and corruption in the parliament and public service. Additionally the bill establishes the role of the Independent Parliamentary Advisor with the purpose of preventing inadvertent misconduct and impropriety by parliamentarians, thereby promoting informed and ethical conduct.

There is currently no national anticorruption agency with the powers or the jurisdiction to investigate claims of misconduct and corruption across the federal parliament or Commonwealth agencies. This is an essential component for the prevention of corruption and maintenance and promotion of integrity and ethical conduct in the tool kit of all jurisdictions. The argument that the existing agencies and mechanisms are sufficient or appropriate for fighting graft ignores the important role of prevention, the promotion of ethical conduct, and the integration of integrity systems across federal and state jurisdictions.

Prior to the establishment of the Commonwealth Law Enforcement Integrity Commissioner in 2006, there were calls that its role be extended beyond investigating and preventing corruption in federal law enforcement agencies.

These calls were not heeded but this bill addresses that oversight.

The National Integrity Commission will operate in the federal jurisdiction and will not replace or override state legislation. The bill provides for the ACT and Northern Territory to contract the National Integrity Commission to operate in respect of their territories, in the same way that the Commonwealth Ombudsman acts as the ACT Ombudsman.

The national commission established by this bill will complement the state based anticorruption commissions. The need to address corruption is evident in the fact that all Australian states have established, or have committed to establishing, anticorruption bodies with various powers and jurisdictions. Importantly they all include the power to investigate the activities of politicians.

In some states, anticorruption commissions have been operating for a decade or more—the Independent Commission Against Corruption in NSW was established in 1988, the Crime and Misconduct Commission in Queensland was established in 2001; the Corruption and Crime Commission in Western Australia was established in 2004, and the Integrity Commission in Tasmania was established in 2009. The commissions of New South Wales, Queensland and Western Australia have played a pivotal role in uncovering, investigation and prosecuting landmark cases of corruption. The evidence of the powerful and effective work of these bodies reinforces the necessity for a similar mechanism at the federal level of Australian politics.

The bill provides a definition of 'corrupt conduct' as including any conduct that:
- adversely affects the honest or impartial exercise of functions by the parliament, a Commonwealth agency or public officials by any person;
- involves the dishonest exercise of functions by a public official;
- involves a breach of public trust by a public official;
- perverts the course of justice;
- involves the misuse of information or material by a public official.

It lists kinds of corrupt conduct, such as blackmail, bribery and fraud, for the purposes of adversely affecting the exercise of functions by the parliament, a Commonwealth agency or public officials, and provides for retrospectivity in that the National Integrity Commissioner can investigate corrupt conduct that occurred before the commencement of the bill, before a person became a public official, or outside Australia. Importantly the bill provides the capacity to investigate cases where corrupt conduct is foreseeable in the future making the National Integrity Commissioner's role proactive in addressing corruption. Furthermore, it is clear in this bill that investigations of corruption can be commenced even if the identity of the public official alleged to be engaging in corrupt conduct is unknown. This ensures that corruption issues cannot be ignored because the person concerned has not been identified at the outset. The bill sets out the specific functions and powers of the three component parts of the National Integrity Commission. The first is the National Integrity Commissioner. It is concerned with corruption in relation to public officials and Commonwealth agencies and has full investigative powers, including conducting public and private hearings and summoning any person or agency to produce documents and appear before the commissioner. The provisions in the bill in relation to the National Integrity Commissioner—including those dealing with corruption issues, conducting investigations, holding public inquiries, including powers requiring people to give evidence or produce documents, taking evidence at hearings, and applying for and executing search warrants—are based on similar provisions in the Law Enforcement Integrity Commissioner Act 2006.

The second component part deals with the Law Enforcement Integrity Commissioner. It is concerned with corruption in relation to national law enforcement agencies in accordance with the Law Enforcement Integrity Commissioner Act 2006 and has the functions and powers conferred under that act.

The third component part of the bill is the independent parliamentary advisor. It is concerned with providing independent confidential written advice to ministers, parliamentarians and former parliamentarians in relation to conflict of interest, ethics, proprietary and similar matters and providing advice on the development of codes of conduct. There are many instances where the rules or guidelines governing the conduct of federal parliamentarians are not clear or sufficiently detailed. Often the advice from relevant departments leaves it to the discretion of the politician. The lack of clarity and direction in these cases leaves parliamentarians unnecessarily vulnerable to inadvertent misconduct, with consequent serious penalties.

The bill provides for written advice on such instances where the guidelines are unclear or where claims of misconduct are made against a parliamentarian who has sought to follow the guidelines. The existence of such a body would help Australian federal parliamentarians to avoid
the type of systemic misconduct seen recently in parliaments overseas as well as an increase in the ethical standing of federal parliamentarians generally.

I know there are some concerns about aspects of this bill and questions about whether it goes too far, particularly in the areas of coercive powers. It is inevitable, of course, that, if we are to create an institution to investigate corruption and insist on enforcing integrity, some form of coercive powers will be needed. However, it is very important to get the balance right, and we are very open to suggestions on how to improve this bill. In fact, my Greens colleagues in the Senate will be seeking to establish an inquiry into this bill so as to enable such improvements to be canvassed and considered. We would hope that through this process we could move towards cross-party support for this bill and look forward to unanimous support for improving integrity and fighting corruption, because there could be no greater test of the sincerity and conviction of the many, many people who have so vigorously participated in the arguments of recent weeks than their support for the thrust of this bill. We accept that there may be quibbles and suggested amendments. That is how it should be. But we ask all members of this place to say that they are in favour of an Integrity Commissioner that would fight corruption.

Finally, I note that George Williams, the Anthony Mason Professor of Law at the University of New South Wales, recently wrote:

The case for whole of government anti-corruption bodies has proved overwhelming in the states. They are now in place, or being established in every state jurisdiction.

The first state body was the NSW Independent Commission Against Corruption, established in 1988. It is a key part of the political landscape and has a formidable record of investigating and exposing corrupt conduct. Its very public pursuit of corruption can itself be a significant deterrent.

There is no rational reason why a strong anti-corruption body is needed at the state level and not for the Commonwealth. State bodies cannot investigate corruption by federal parliamentarians and officials but dishonesty and misuse of public power are not limited to state and local governments.

I concur with Professor Williams and I also want to thank the member for New England for seconding the motion introducing this bill. The time for an Integrity Commissioner has come and I commend the bill to the House.

Bill read a first time.

**The DEPUTY SPEAKER (Ms Grierson):** In accordance with standing order 41(c), the second reading will be made an order of the day for the next sitting.

**Australian Citizenship Amendment (Defence Service Requirement) Bill 2012**

**Second Reading**

Mr ROBERT (Fadden) (10:42): I move:

That this bill be now read a second time.

I rise to speak on my private members' bill, the Australian Citizenship Amendment (Defence Service Requirement) Bill 2012. I, like my coalition colleagues, believe very strongly in supporting not only our Australian Defence Force personnel but their families: their spouses and, indeed, their dependants. Spouses or partners of ADF members and their dependants give so much to our nation. They are the ones who, indeed, enable our ADF personnel. They are the ones who have the biggest influence on whether our ADF personnel choose to remain in the service of their nation in uniform. They are the ones who so often experience the greater hardships, greater stresses, constant
rotations, in many cases constant deployments and certainly constant training schedules. They are the ones who know so many sacrifices that so few of us ever will.

For the families of those who fight I am pleased to be able to speak on my private members' bill on behalf of the coalition. Simply put, the bill will ensure that spouses and dependants of ADF lateral transfer members—those serving members from other countries' militaries who seek to come and serve with our flag on their right shoulder—will be able to gain citizenship at the same time as their serving ADF member. It is the right and fair thing to do. It is just. It honours those who honour us.

ADF lateral transfers are members who have served in another nation's military and have subsequently moved to Australia to serve in our Australian Defence Force. They come from a wide variety of countries, including New Zealand, South Africa, the United Kingdom and the United States of America.

Our Defence Force has a long and proud record of recruiting members from the armed forces of other countries. We do so in order to fill our current capability gaps. We do it in most cases only where it serves or suits the parent country. For example, our Navy is presently taking advantage of the United Kingdom's strategic defence and security review, which amongst other things is reducing the number of personnel across the UK's four services. It is in this context and this move by the Cameron government that our Navy is increasing its recruitment of Royal Navy personnel in order to fill our capability gaps. It could take over a decade to recruit, train, sustain and skill engineers, pilots or other personnel with exceptionally high levels of skill. Having these personnel with their current skills transfer from other militaries into our Commonwealth takes an enormous amount of time and money. According to the 2010 Defence Families of Australia lateral recruit survey, in the past, the vast majority of lateral recruits have come from the UK, are married, have school-age children and, until recently, most have joined the Australian Regular Army. They are most likely to be posted to Darwin or the east coast and are most likely to live in a Defence Housing Authority, DHA, house and choose school and childcare in close proximity to their home. Less than 50 per cent of families had visited Australia before immigrating as a lateral transfer. The majority of families had only a vague idea of what support was available to them and their children through defence and most received information on financing, housing, and general knowledge from other lateral recruits, friends or unit hosts.

The ADF are presently looking to recruit, on their own numbers, up to as many as 300 lateral transfer personnel each year. Importantly, 90 per cent of these will probably have families they will be looking to bring to Australia. It is the care for these families that is foremost in the mind of the decision maker: the lateral transfer member who is seeking to join the ADF.

In terms of the Australian Citizenship Act, all lateral transfers are required by law to qualify for permanent residency visas before a member can take up a position within the Australian Defence Force and subsequently move to Australia. This is necessary as all ADF members are required to be Australian citizens and permanent residency is a prerequisite. Spouses, partners and dependants of ADF lateral transfers, at the time of moving to Australia, are afforded permanent residency but they are not afforded citizenship in line with the lateral transfer member. Under the Citizenship Act, a permanent resident may be granted citizenship after completing 90 days service.
in the ADF or six months in the reserves. These sections are regularly used in support of lateral transfer ADF members. The provision for 'early' citizenship under the act does not apply to the spouse or partner of the ADF member and nor does it include dependants aged 16 or over—those who cannot be included on the ADF member's citizenship application.

This situation can, and does, lead to discord within families of lateral transfer members. For example, Australia currently has ADF lateral transfer members not only serving extensively within our ranks at home but also serving in combat operations overseas. The figures I have indicated are that at the latter part of last year there were seven lateral serving members on combat operations in Afghanistan with MTF3 and three with the Force Support Unit. There were 10 lateral serving members on combat operations last year in Afghanistan whose families, for the most part, were not accorded Australian citizenship. Their partners were accorded citizenship and fought overseas with our flag on their shoulder, but that right of citizenship was not extended to their families. That is what this private member's bill is all about.

It is noted that, should such a member be killed in training or indeed in combat operations, there appears to be no legislative basis or guarantee that their spouse or dependants would be able to stay in Australia or have access to the range of benefits normally payable to the spouses and dependants of Australian ADF members. This has been taken up with the government, and I appreciate that the government has made every assurance that this support would be provided; however there is little legislative evidence of such assurance. This is one purpose of this bill—to provide this piece of mind.

It is also interesting to note that there are significant issues for dependants for ADF lateral transfer members. Because they are not citizens and are not accorded that right for up to four years they may not be eligible for Centrelink benefits or university HELP based placements. This bill corrects these issues.

The bill reflects the fact that behind and beside every serving member is a supportive serving family. This bill reflects the fact that we request, we desire and we truly want the serving men and women of other militaries to come and stand and serve with us—to bring their skills, knowledge and experience to fill our gaps. This bill reflects the fact that families are foremost in the minds of those members when they seek to make those types of choices.

I know that my opposite, the Minister for Defence Science and Personnel, actually believes quite strongly in this bill and has been seeking for some time to actually get this bill before the House, to the extent that when this private member's bill went in on Monday the minister's bill then went on Thursday—a bill which seemed to be an exact copy of the bill except that theirs broadens the scope of 'dependants' to include elderly parents and dependents with a disability and to reduce the service component from six months to 90 days.

The minister could simply have amended this private member's bill. I informed him that we would be more than happy to do that and would accept their amendments. But the government, somewhat disingenuously, chose to introduce their own bill—perhaps not wanting the issue to escape from under their watch, even though they have had four years and done nothing. In fact, Minister Snowdon wrote to Minister Bowen on 16 November 2010—and he received a reply 87 days later. So it is good to know that minister
to minister takes an exorbitant amount of
time, let alone minister to opposition. In that
reply, Minister Bowen categorically said no
to Minister Snowden's request for such a bill.
In fact, he even said.

As I am sure you will appreciate, requests to
amend the citizenship legislation cannot be
considered in isolation, but must be looked at in
the context of the wider migration and citizenship
programs.

That is, I guess, until the opposition puts in a
private member's bill—and then all of the
minister's rhetoric is thrown out the door as
they desperately try to show that they too are
across this important issue, by introducing
their own bill a few days later. Well, we all
know that there is no higher praise than
imitation, so we accept that the government
is putting their bill. Of course, the coalition
will not stand in the way, whichever bill is
voted on first. The key thing is that those
families, spouses and dependants of lateral
transfer members are afforded the rights and
protections that they deserve.

In conclusion, the coalition fully
appreciates the sacrifices that ADF members
and their families make, including those
members who have come here under lateral
transfer arrangements. We recognise the
importance of ensuring tight family
groupings, and we consider the current
lateral transfer arrangements to be failing in
promoting this outcome. This bill will
remove the inequitable treatment of spouses
and dependants of lateral transfer members.
It will ensure that they all have access to
citizenship at the same time and that spouses
and dependent children of lateral transfer
members have access to the same benefits as
the spouses and dependent children of
serving men and women and their husbands
or wives who serve beside them. I commend
the bill to the House.

Mr HUSIC (Chifley—Government
Whip) (10:52): The Australian Citizenship
Amendment (Defence Service Requirement)
Bill 2012 seeks to amend the citizenship
requirement for Australian Defence Force
members. However, for a number of reasons
the bill will not necessarily be as helpful as it
is intended to be, and the government
believes that its own legislative approach
will address the issues in a far more
comprehensive way. The government's main
reason for opposing this bill is that the bill's
definition of a 'family unit' is much more
narrow in scope than that in the government's
bill. The amendments in the government's
bill are broader and more equitable in
defining the families of ADF lateral recruits
and their legal status in Australia after
migrating. At the moment, an ADF member
and any children under 16 are able to apply
for a concessional residence requirement.
Concessional treatment of ADF members
under citizenship law has been in place since
1952. However, spouses and other family
members, such as children over 16 and
elderly parents, do not receive the same
concession and have to wait for at least four
years.

The government's bill will improve
fairness by extending the same residence
requirements to the spouse and family of
ADF personnel, acknowledging that they are
migrating to Australia as a family group, that
they are all making a continuing
commitment to Australia and that they are all
facing similar settlement challenges.
Regardless of our differences in this place,
we all recognise that military service is
dangerous and that the family of military
personnel bear a share of this danger. They
bear more stress and strain than most
families do, particularly given the element of
military service that is attached to their
circumstances. The government's bill aims to
assist Australia to attract personnel to highly
specialist roles within the ADF, recognising
that those skills will provide great benefit to

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This also reflects the fact that as we cooperate across countries in matters of defence we have a joint aim and aspiration to transfer skills amongst forces to ensure more efficient operation and efficient defence of our respective nations. There is currently an urgent need for the ADF to attract personnel to a group of specialist roles as lateral transfers from overseas. It is not necessarily the case that this has been an overly used provision.

Some ask why we need to embark on this course of action. In the small number of applications for citizenship since 2007, approximately 536 applications for citizenship have been made under the Defence service requirement of the citizenship act. Even though they are small in number, the value of what those people do for the ADF is tremendous. It will not necessarily be the case that all of these applicants will be overseas lateral recruits. The government's amendments will provide, as I indicated earlier, broader, more equitable coverage than what is proposed under the bill we are currently debating. There are a number of reasons for this.

The opposition bill does not cover all children over 18, such as disabled children, but only students under the age of 25. The opposition bill does not cover a dependent parent even though the parent may have migrated with the family. In addition, the opposition bill does not clarify whether or not the family members need to have permanently migrated with the ADF member. Finally, the opposition bill does not provide for the family member to remain eligible for citizenship in the event that the ADF member should pass away before they become eligible for citizenship.

It is also worth noting that the government's bill provides two technical amendments relating to this part of the citizenship act. Our bill clarifies that reserve service does not need to be continuous so long as it constitutes 90 days service in one or more of the reserves which a person was required for, attended and was entitled to be paid for. This arises from a case in which a person had been enrolled in the reserves for six months but completed only 3½ service days.

With the agreement of the Department of Defence, it is also proposed to amend the act to specify that 'relevant defence service' includes required attendance of at least 90 paid service days in the Naval, Army or Air Force Reserves instead of the current six-month service requirement. The reduction from 130 days to the proposed 90 days recognises that priority needs to be given to members of the permanent forces over members of the ADF Reserves in relation to training. It also means that members of the Defence Reserves will, in practice, spend only a small number of days each month actually performing paid service. The amendment will also assist the families of recruits in accessing employment opportunities or, should they require it, education assistance. It will also help them to build a close and continuing relationship to Australia. This group must still continue to satisfy all of the other existing criteria for citizenship such as identity, character, understanding the nature of their application, responsibilities and privileges of citizenship and, importantly, passing the citizenship test.

The government's bill provides a pathway for family members to access the relevant defence service eligibility in the tragic event that the ADF member dies while undertaking service. In this instance, the family will be treated as if the ADF member had completed their relevant defence service. While I acknowledge that the bill proposed by the member for Fadden is supportive of ADF members and their families, the
government's bill goes much further. That is why we will be proposing the changes in our bill rather than supporting the narrow-cast changes contained in the bill we are currently debating.

Mr MORRISON (Cook) (10:59): I am pleased to rise and speak in support of this private member's bill moved by my friend and colleague, the member for Fadden. Serving in the armed forces, as he knows, is an admirable commitment, but it is a commitment made not only by the person wearing the uniform but also by their partners, families and children, who demonstrate remarkable courage in difficult circumstances and each make a sacrifice for our country in their own unique way. As a nation, we have an obligation to our servicemen and women, but also to their families who so graciously share their loved ones with us. In his famous letter of condolence to Mrs Bixby on the death of her five sons in the civil war, US President, Abraham Lincoln, wrote of:

… the solemn pride that must be yours to have laid so costly a sacrifice upon the altar of freedom.

To serve our nation, our soldiers and their families make a tremendous contribution and sacrifice.

Australia has a proud military history. The values that underscore that history are etched into stone at Isurava: values of endurance, mateship, sacrifice and courage. On the home front, the families know this as well. The spouses and children left behind wait by the phone and cross off each day on the calendar until their mother or father or loved ones come home. Each day, our soldiers risk their lives to protect this nation and safeguard our freedom, in our name and under our flag—and, far too often, they die protecting those values. We have a duty to support their families through thick and thin, but it is more important than that—it should be an honour. It should be something we willingly and openly pursue.

Furthermore, we as a country are privileged that hundreds of skilled servicemen and women who have served in the armed forces of other nations choose to migrate to Australia to join our ADF and fight under our flag for the freedoms we share and hold dear. Where gaps open up within our own ranks, the Australian Defence Force often looks to recruit personnel from overseas militaries to fulfil these critical capabilities across the Navy, Army and Airforce. These recruits are known as lateral transfers and they bring with them a high level of skill and qualifications that, realistically, could take over a decade for the Australian Defence Force to match by recruiting, training and upskilling personnel. Often, these skill needs must be met in a timely manner, so having the ability for these personnel, who already possess and practice the skills required, to transfer in from other militaries saves the government valuable time and resources.

Our lateral transfer recruits are drawn largely from the United Kingdom, but also from New Zealand, South Africa and, in recent years, the United States. According to research by Defence Families of Australia, lateral transferees usually bring their families and dependents with them to relocate to Australia. Currently, the Australian Citizenship Act makes some provision under sections 21 and 23 to accelerate citizenship for those transferees, but the same arrangements do not exist for their spouse or dependants. The coalition introduced the Australian Citizenship Amendment (Defence Service Requirements) Bill 2012 into the House on Monday 21 May in an effort to synchronise these arrangements.

Under this bill, spouses and dependant children of lateral transfer members will be
eligible for citizenship at the same time as the ADF members. This legislation will make sure that, by virtue of their citizenship, families and children of these troops will not unduly suffer, whether financially or otherwise, if that transfer member is killed in combat or in training, or leaves the family because of divorce. These are all tragic circumstances. Living with any of those scenarios would be a heavy burden to bear. It should not be the case that these moments of grief are unduly compounded for the family by financial concerns or fears, or by having to uproot and leave their home in Australia.

I note that the government has, in direct response, been shamed into introducing a carbon copy of this bill that is before the House today, rather than simply supporting this measure, and, if there are amendments that the government wants to put forward, approaching the coalition in order to see those amendments adopted, and graciously agreeing to what is a good idea. This government has sought, as we have just heard, to oppose this bill in this place in a petty and small-minded way to try to claim credit for a matter they have not sought to bring into this parliament.

In fact, it is worse than that: I note that in a letter from the Minister for Immigration and Citizenship to the Minister for Defence Science and Personnel in relation to these matters, where Minister Snowdon had sought exactly the type of arrangements that are put forward in this bill, the minister for immigration says, ‘I do not consider it necessary to amend the citizenship legislation taking all these factors into account.’ So we have the Minister for Immigration and Citizenship who has stonewalled this measure for some time—a minister for immigration and citizenship who, as we learned today, is also at odds with his own Prime Minister on other matters. We have a minister for immigration and citizenship who seems unable to find anyone in this government who can agree with him on many matters, and particularly on this important one.

The DEPUTY SPEAKER (Ms Grierson): Member for Cook, you are straying from the bill in front of the House.

Mr MORRISON: Madam Deputy Speaker, I am referring to this bill. On this matter before us today in this bill, the Minister for Immigration and Citizenship rejected the offer from the Minister for Defence Science and Personnel to put these very measures in place, yet the government comes in here today and says that this is something it is keen to do. This is a government at war with itself! It is at war with itself over sensible policy. It is a government that cannot agree with itself. Rather than coming in here today in a spirit of bipartisan support for the families that are affected by this measure, the government wants to play petty politics. It wants to play petty games of one-upmanship by introducing another bill into the House, when it could simply support this bill, sit down in good faith and negotiate any amendments it may wish to put forward. The government should, frankly, be ashamed of itself in the way it is dealing with this bill.

The families of those lateral transfer members who are willing to give their lives and services to Australia in our Defence Force should be afforded the same citizenship status as the serving members. The ADF is currently seeking to recruit in the order of 300 lateral transfer members per year. Nine out of 10 of these transferees have families they would wish to bring to Australia with them. The Royal Australian Navy, for example, is currently reaping the benefits of a drop in personnel across Britain's armed services that is largely due to the UK's strategic defence and security
review, and using these recruits to fill gaps within its own ranks via the lateral transfer process.

Under the Australian Citizenship Act 2007, a permanent resident may be granted citizenship after completing 90 days of permanent service in the ADF or six months of service in the reserves. While this section is often used to support early citizenship for a lateral transfer member of the ADF, these accelerated provisions do not apply to that person's spouse or dependant under 18. Understandably, this out of step legislation can create discord within families of lateral transfer members. It can produce significant financial hardship for families on a day-to-day basis, as the spouse is ineligible for welfare support. The reality is that lateral transfer members are deployed, serving in the theatres and operations around the world, and, if the unthinkable should happen and that member dies, whether it be in combat or in training or otherwise, under current law there is no guarantee that their spouse and children would be able to stay in Australia, or access the support that would normally be extended to the families of Australian ADF personnel. As a permanent resident a member's spouse and dependants over 18 are required to reside in Australia for two years before they are entitled to the majority of social security payments. This often creates significant hardship for the families of lateral transferees. There has been unanimous support for the stakeholders the coalition has spoken with around this bill. In my own electorate of Cook, I met recently with a young lady who was in this exact predicament. Her husband transferred into the Australian armed forces from the UK. They are raising their young family in the shire. Her husband and her school-age children have been granted citizenship but, despite being a permanent resident, she will not qualify until January next year. It makes life difficult being the only person in a family whose residency is completely out of step with everyone else's, particularly given her husband's sacrifices. No-one needs that added level of uncertainty and confusion, especially with everything else this family has to contend with.

These are mums and dads who set the alarm for six every morning and get up without fail to make the lunches and pack the kids off to school knowing their partner is on the other side of the world putting their life on the line. The families have to deal with deployment schedules and constant separation, their hearts skipping a beat each and every time a casualty is reported on television. That is real bravery that far too often goes unrecognised.

This bill offers the families of lateral transfer members peace of mind—and that is the least we can do. The government has made assurances that, under these circumstances, support will be provided. This bill writes this into the letter of the law. In introducing this legislation my colleague the member for Fadden said that it honours those who honour us. This bill is indeed fitting and wholly appropriate and I commend it to the House. I recall that, when the member for Fadden first brought this matter to my attention, I immediately agreed. It was not something that I thought should be resisted at all. I thought this was the least an immigration minister should do to support those serving under our flag, serving our values and seeking to have those values fought for and defended around the world.

The minister should be ashamed of his opposition to that measure and the government should be ashamed of their opposition to this bill for nothing more than petty politics.

Ms SAFFIN (Page) (11:09): I rise to speak against the bill by the honourable
member for Fadden not because I do not support the mover's intent and the sentiment of the bill—clearly I do, as other members do—but because the government has a bill before the House in a very similar area that broadens the categories of the member for Fadden's bill. That means I will be speaking somewhat to the government's bill by way of explaining why I am supporting it and not the private member's bill. I was pleased to hear the honourable member for Fadden say in his contribution that he would support whichever bill gets up first. You are far more gracious than the honourable member for Cook, who is extolling us to graciousness with ungracious comments. So I will try and stick to graciousness with this bill; it is important because we are talking about the defence forces and those people who serve our country and our nation.

The government bill in this area enables family members of current and future overseas lateral recruits to the Australian Defence Force to satisfy the residence requirement for Australian citizenship at the same time as the enlisted ADF member. The current provision is that an ADF member and any children under 16 are provided with concessional residence requirements. That means they can apply for Australian citizenship after 90 days of service in the permanent forces or six months in the reserve forces. Spouses and other family members, including children over 16 and elderly parents, do not receive the same concession and must wait for at least four years. This is an important point because a family is not just the spouse; it is also children and can be parents and other family members. The way the current provision applies is discriminatory because, if someone who comes here to serve our nation has children of whatever age and dependent family members—it might be their elderly parents—they should be entitled to have the same citizenship provision apply.

What the government's bill does that is broader than the honourable member for Fadden's bill is improve fairness by extending the same residence requirements to the spouse and family of ADF personnel, acknowledging that they are migrating to Australia together as a family group and face similar challenges and issues as the primary person would. The agreement will assist the families of recruits in accessing employment opportunities and education assistance. As well, it will assist in developing their close and continuous relationship with Australia.

What the amendment aims to do is assist Australia to attract personnel to highly specialised roles in the ADF where we require people to fill those positions. As I have travelled around visiting various defence bases I have met with members of the defence forces who are subject to this bill. It is always pleasing to meet these people, talk to them and find out what they are doing here. I can understand why they want similar courtesies and considerations to apply to their families.

The opposition's bill, which is the honourable member for Fadden's bill, does not cover all children over 18, such as disabled children and dependent children under 25, and it does not cover a dependent parent who migrates here with their family. The government's bill includes the broader category and therefore it has a broader definition and operation for 'family'. The honourable member for Fadden's bill does not clarify whether or not the family members need to have permanently migrated or whether the family members remain eligible for citizenship in the event that the ADF member dies before they become citizens. I have read the explanatory memorandums on both bills—the bill we are
currently debating and the government's bill. The point about the member dying before they become a citizen is not clear to me in the honourable member for Fadden's bill.

There are couple of other things that I want to say. I think I heard the honourable member for Fadden say that the government had four years to do this. If we are into looking at why it was not done before, I can say the opposition had 12 years, and I did not see them making any fast moves on it. It is being done now and it is being done by the government and that is a good thing.

The explanatory memorandum with the government's bill talks about what it clarifies. It uses the word 'fairness' as well. It says:
The amendments … will improve fairness by extending the same residence requirements to the family of ADF lateral recruits—
but it adds—
… families of ADF lateral recruits migrate to Australia as a family unit and all face similar settlement challenges. The amendments in this Bill will assist these families settling in Australia …
That is really important.

It also says:
The financial impact of these amendments is low. The cost of implementing these amendments to the Act will be met within existing resources of the Department of Immigration and Citizenship. Quite often bills of this nature would attract some considerable costs, but they are costs that can be borne within and they are low.

I also looked at a statement of compatibility with human rights attached to the explanatory memorandum. It is also pleasing to note that, with the operation of that law and the committee, we are getting these statements attached to legislation. It is one of the first things that I think a lot of members now read. It say clearly that the bill is 'compatible with human rights and freedoms recognised or declared in the international instruments listed' in the Human Rights (Parliamentary Scrutiny) 2011—the bills that are associated with what we often call the International Bill of Human Rights. It concludes that:
This Bill is compatible with human rights, as it does not raise any human rights issues.
My comment on that is that it actually gives effect to the rights of families to be together as a family unit and have the same considerations apply to them, and that is a good thing.

The Minister for Veterans' Affairs and Minister for Defence Science and Personnel, Mr Snowdon, in his second reading speech in this place on the government bill said that 'Australian citizenship law has had specific arrangements to acknowledge that service in the Australian military' demonstrates a number of things. He noted that there have been provisions in the legislation over a long period of time but that 'there are three issues that the government considers must be addressed and this bill addresses these issues'.

The honourable member for Fadden's bill addresses some of those issues, but it does not extend to the broader issues that need to be addressed, specifically the three issues. I have mentioned what they are in terms of the broader definition of the family that includes various categories of children and those with disabilities and elderly parents in the situation if someone dies.

Mr EWEN JONES (Herbert) (11:19): I rise to speak on the Australian Citizenship Amendment (Defence Service Requirement) Bill 2012, moved by my friend and colleague the member for Fadden. This bill is about fairness and equity. This bill is about inclusiveness and inclusion. I note that the member for Chifley said that he was worried that the bill was narrow in scope. In 2011 we
were talking about 10 people serving overseas on lateral transfers. It is narrow by nature. We are not talking about a huge number of people here. There is a narrow band of people asking for this. There is no brand of people for whom we are trying to seek representation. Therefore, it has to be narrow.

The government has had enough chances to do something here and, as soon as the coalition comes up with something, we have another bill in the House. The member for Cook was right when he said that the bill is a carbon copy of our bill. It is, as he stated, petty in the extreme. I like the member for Page. She said that we had 11 years in government. Hawke and Keating had 13 years before that. Fraser had eight years before that. Menzies had 132 years in government. And they did not do anything about it. The Labor Party is in government now and it has taken the coalition to bring a private members' bill for the Labor Party to actually do something. The Minister for Immigration and Citizenship knocked this on the head previously. It has taken the coalition to bring this thing forward so I get frustrated with those sorts of arguments.

Later transfers are on the increase and, therefore, it is an issue of now. The Labor Party is in government now and it has taken the coalition to bring a private members' bill for the Labor Party to actually do something. The member for Fadden was at pains to explain, this is about fairness, this is about inclusion, this is about looking after those who come with them. We in this House also have families that we leave behind. I have a wife and three children and they have to put up with a lot of things because I am away a lot. People in the Defence Force have no real control over where they go around this country, and they have a lot of things that they have to look after. We must do the best we can for Australian partners and families of soldiers and for those who also have to adapt to a new country. Those are the sorts of things that we must do, that we should be doing, and that is what this bill addresses.

This is a two-way street: we win and they win. As the member for Fadden said, it is right and just that we move this private members'
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bill. As I said, Townsville has just farewelled another group, including the lieutenant colonel in charge of 3RAR, to Afghanistan, and in that there are a number of English, Canadian and South African soldiers and officers. Their families are still in Townsville, where recently I had a fair bit to do with the family of a man whose sergeant said he was lucky to keep his leg. He was one of the guys who was shot on parade. If that happens to someone who is not quite an Australian citizen, and if someone were to die—those are the sorts of things we have to cover and this bill addresses that. I urge those on the other side, whichever bill gets up first, to just get this thing organised, because it has to go ahead.

Ms BRODTMANN (Canberra) (11:24): I thank the member for Herbert for sharing that fascinating history of that parade. I too am fascinated by military history, the richness and diversity of it and how it often links back to unusual experiences and battles of the past. I always enjoy going to parades out at ADFA and attending commemorative days around the Australian War Memorial, so I thank the member for Herbert for sharing that fascinating piece of military history.

While it is commendable of the member for Fadden to bring this bill before the House, the fact is that this bill will soon be superseded by the government's own Australian Citizenship Amendment (Defence Families) Bill. Both bills focus on the concessional residence requirements of ADF personnel and their families, but it is the government's bill that will make the amendments necessary to ensure all family members are treated equally. Currently the legislation states that an ADF member and any children under 16 are able to apply for Australian citizenship after 90 days of service in the permanent forces, or six months in the reserve forces. Meanwhile, spouses and other family members, such as children over 16 or elderly parents, do not receive the same concession and must wait for at least four years to be eligible for citizenship. What this means is that, presently, members of the same family are treated differently. For example, the serviceman father and his 14-year-old child will become citizens, while the mother and their 17-year-old child will have to wait up to four years.

It is only fair that the government extend the same residence requirements to the spouse and family of ADF personnel. After all, they are migrating to Australia as a family group, they are all making a continuing commitment to Australia, they are all making a continuing commitment to the defence of our nation, and they are all facing similar settlement challenges.

Last year the member for Fadden and I were in Afghanistan together, and on one of the trips flying over Afghanistan I met an ADF member who was from Germany. I do not know whether the member for Fadden met him but he was an incredibly impressive young man. He had made the decision to join the ADF because he was concerned that in Germany the services were not treated with the respect they are in Australia. He had the greatest admiration for the ADF, for the commanders in the ADF and for the commitment of the nation to our service personnel. So he actually made a commitment to join the ADF through a deep philosophical commitment to securing the defence of a nation. It was incredibly admirable. As I said, he was an impressive young man and, when talking about this piece of legislation, he is the one I think of in terms of him keeping his family together.

While the member for Fadden's bill is similar to ours, the government's
amendments actually provide broader and more equitable coverage than the opposition's bill. Our bill will fast-track Australian citizenship for the family members of ADF personnel. Our bill is much fairer. For example, the opposition's bill covers children only between the age of 18 and 25 if they are students, and this does not take into account the fact that there may be disabled children in the family; the opposition's bill does not cover a dependent parent, even though the parent may have migrated with the family; the opposition's bill does not clarify whether or not the family members need to have permanently migrated with the ADF member; and the opposition's bill does not allow for the family members to remain eligible for citizenship in the event that the ADF member dies before they become eligible for citizenship.

Our bill, on the other hand, seeks to allow family members of current and future overseas lateral recruits to the ADF to satisfy the residence requirement for Australian citizenship at the same time as the enlisted ADF family member. Not only will this acknowledge the commitment they are making by migrating to Australia together as a group; it will also help the families of recruits in accessing employment opportunities and education assistance and help them build a closer and continuing relationship with Australia.

Our amendments are important because they will provide more equitable treatment and greater certainty for ADF lateral recruits and their families. So, while I am pleased that the member for Fadden supports these improvements, I cannot support this bill knowing that the government's own bill will go even further and make more substantial amendments to legislation. The bill is considerably too narrow. What is needed is a much broader approach to assisting the families of ADF personnel.

The DEPUTY SPEAKER (Ms Grierson): Thank you to all members who participated in that debate. The debate is adjourned and the resumption of the debate will be made an order of the day for the next sitting.

PRIVATE MEMBERS' BUSINESS

Newstart Allowance

Mr BANDT (Melbourne) (11:30): I move:

That this House:

(1) resolves that Newstart payments are too low and should increase by $50 per week; and

(2) calls on the Government to find an appropriate savings measure to fund this increase.

When a newspaper reported yesterday that this motion was being debated today, I received an email from someone who said: 'As a long-term two-year underemployed 60-year-old who can now only manage to get a few hours per week casual work since my full-time position with a major telco company reached its use-by date—then that position was handed over to a younger person who was paid less, this being a typical private enterprise workplace practice—I wish you every success with your motion to lift the dole by $50 per week. There are many thousands of us underemployed 55-pluses who are trying to live on the miserable Newstart allowance. We are not dole bludgers, just victims of the casualisation of the Australian workforce. Thank you.' They then signed off the email.

One of the key reasons that more and more Australians are backing the Greens is that they realise we are now the party that is about looking after people. Many people feel the old parties have given up this core value, and nothing could illustrate this better than their failure to provide an adequate welfare
safety net. An adequate safety net should allow people to live with dignity, even when facing some of the toughest times in their lives. When people lose their jobs, we have an obligation to help them. When people lose their jobs, they need an adequate safety net to catch them. Our safety net is meant to be Newstart, but Newstart is too low. It is woefully, horribly, utterly too low. The single rate for Newstart recipients is $244 a week. That is less than half the minimum wage—45 per cent—and it is more than $130 under the poverty line. After paying their rent, recipients can be left with just $17 a day—$17 a day for all other expenses including utilities, transport, food, personal care and job-seeking costs. That $17 must also be used to save for other major expenses such as maintaining a car, replacing whitegoods or surviving a health crisis.

Newstart is just not enough to support people while they try to find a job. It affects their ability to search for work, particularly if they already face other barriers such as age, disability or education, as many long-term recipients of Newstart do. Unfortunately, more than 60 per cent of the people who find themselves on Newstart are on it for more than 12 months. Trying to live on such a small income for an extended period of time dramatically impacts on these people. Their world often becomes a cycle of stress, debt, low self-esteem and social isolation that gets harder and harder to break out of. We are condemning the unemployed to poverty. Half of all people on emergency food relief are on Newstart, and nearly half of households on Newstart have not been able to pay a utility bill in the past 12 months. Forty per cent of people on Newstart cannot access essential dental treatment. The situation is unacceptable.

The Greens want to increase Newstart by $50 a week to help address this crisis and, if this motion was passed, it would mean parliament shares our policy. The complacency of the old parties in leaving people to languish in poverty or trapping them in debt is unacceptable. In detail, the Greens would raise Newstart and other allowances by $50 per week, as recommended by the peak welfare body the Australian Council of Social Service. We would also index all allowances to the higher of either average male wages or the consumer price index, in line with pension payments.

Increasing all allowances by $50 right now would cost approximately $1.2 billion in the first year according to costings that have been provided by ACOSS. The Greens have a number of revenue-raising measures that would allow for this important reform including abolishing the billions of dollars worth of subsidies given to the fossil fuel industry, maintaining the 30 per cent tax rate for big business or a more comprehensive mining tax. The recent budget did not address the issues for the most vulnerable Australians. In fact, it seeks to drive more people, including single parents, on to Newstart. The benefits of the boom cannot be said to be equally shared unless we direct those benefits to the most vulnerable in our community. We can and should guarantee them an adequate income and the support they need to overcome their multiple barriers to employment.

This country cannot call itself a just country if we do not do that. I note that last year even Ian Harper, the economist handpicked by former Prime Minister John Howard to set the minimum wage, declared that the dole is too low. Judith Sloan also argued at the tax summit last year that the dole was no longer adequate. Jennifer Westacott, the Chief Executive of the Business Council of Australia, noted that entrenching Newstart recipients 'into poverty is not a pathway back into employment'. In
recent weeks, some government backbenchers have backed the Greens' call for an increase. With this motion we now have the opportunity to use this parliament to drive this important reform. I hope that when we come to a vote next sitting Thursday people will join me in supporting people not poverty. A crucial measure of whether a society is just, democratic and sustainable is whether it guarantees an adequate income safety net for all its citizens. It is time we did so and I commend the motion to the House.

The DEPUTY SPEAKER (Mr KJ Thomson): Order! Is the motion seconded?

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

Mr BRIGGS (Mayo) (11:36): I rise to oppose very strongly the motion by the member for Melbourne. I am not surprised that Senator Lee Rhiannon has already begun moves to unpick the new leadership arrangements in the Greens after hearing that contribution to this parliament, because I think even Senator Rhiannon realises that the ideological insanity of the positions that the member for Melbourne wants to take this country into are beyond the pale even for such a well-renowned former communist. What we have here is the Greens with absolutely no understanding of how the economy works and how the federal budget works. What you have heard from the member for Melbourne is that the House should simply, as the motion says, increase the Newstart and other allowances—he does not include the other allowances in the motion, but he has added that in his remarks—by $50 per week, and he calls on the government to find appropriate savings. He then lists a series of assertions about big miners and more tax for them, because somehow if you tax mining companies more they will remain prosperous and they will continue to pay that amount of tax. I think it shows why we saw the Government Whip yesterday start to leak out news that he is moving, because he knows that an association in a coalition with this party is destroying the Labor Party that the Government Whip loves. He knows that the association out there in his seat up in the Hunter with this ragtag bunch of economic illiterates is killing the Labor Party that the Government Whip has come to love. He knows that this stuff is just fanciful, as are so many of the other Greens' policies.

I had a chance to have a quick look this morning on the Greens' website. I am sure that the Government Whip will join me in acknowledging some of these policies and their approaches are far beyond the pale. For instance, take the heading 'Global Economics':

… the Greens will remove Australia from existing bilateral free trade agreements where possible;

and further, they will—

… support abolition of, unless radical reform can democratise, the IMF, World Bank and WTO.

The impact on Australia of removing ourselves from the bilateral trade arrangements and the additional unemployed people that would result from that are beyond comprehension, certainly beyond the comprehension of the member for Melbourne. That policy alone would add thousands and thousands and thousands to the unemployment queues. It would add thousands and thousands and thousands in additional commitments for the federal government's budget.

It also gives an ideological perception or understanding that somehow the government can regulate people into wealth, that somehow the government can increase the dole or the Newstart allowance and this will give people the best opportunity to fulfil their lives. Of course it will not. The best
way to give people their best opportunity to fulfil their lives is to create the circumstances where the economy will create jobs and people who do find themselves in the unfortunate circumstance where they are out of work will be able to find work more quickly through deregulating how the government involves itself in the economy. We know that government regulation holds businesses back from employing Australians. Increasing the amount of tax that businesses have to pay for this ideological nonsense from the member for Melbourne and his friends holds people back because businesses have got less cash and less opportunity to employ more Australians and get them away from the dangers of being stuck in the welfare trap for a lifetime.

In parts of Northern Adelaide, for instance, we have seen what happens when you have generational welfare dependency. I congratulate the member for Wakefield on the work that he has done in his electorate in identifying that, if you have generational dependency on government, you end up with generational problems including increased crime. You take away the prospect of a better life for Australians by encouraging them to stay in this welfare trap.

This is really the most insidious part of this motion, and I am sure that the Government Whip will support this move by us to oppose this motion. He knows that this economic claptrap from the Greens will vandalise our economy if they continue in this coalition with this government. That is why the Government Whip is starting to say privately that we need to end this government now. It is destroying our country's future. This is another example of a motion that should not be supported by this House. (Time expired)

Mr FITZGIBBON (Hunter—Chief Government Whip) (11:41): I congratulate the member for Mayo on his best effort to politicise this debate, a very important debate, I believe, because as members of this place we must constantly and with excessive vigilance keep our eye on the capacity of people to live—to feed themselves, to house themselves and of course live a normal life. When I was selected here in 1996, I was asked what my priorities were. In response I stole an old Neville Wran line that said there were only three issues in politics: 'jobs, jobs and jobs'. The best thing we can ever do as elected representatives to give people a leg up to ensure that they can house and feed themselves, and provide an opportunity to prosper in life, is to give them a job. When I was elected in 1996 the unemployment rate in my electorate was in excess of 10 per cent—I think around 13½ per cent—and of course youth unemployment was probably in the order of 30 per cent. Today the national unemployment rate is less than five per cent, something I would not have dreamed I would see in this place in my time. But even more surprising and more rewarding is the unemployment rate in my electorate which is now just 3½ per cent, an amazing outcome which shows how far we have come.

What frustrates me is that, notwithstanding that very low unemployment rate and the additional diversity we have in our economy and the growth rate we have in our economy, I still have pockets where you will find large numbers of unemployed people, typically young people. Nothing frustrates me more, as the local member representing a seat with an unemployment rate of 3½ per cent, than to see kids sitting around my shopping centres with baseball caps on backwards, idle
and not participating in the labour market. My very strong view is that we have a once-in-a-generation opportunity to break the cycle for those who have never known either their parents or their grandparents to work. They have never known what it is like or simply just do not understand the concept of setting an alarm clock to wake to go to work each morning. We will not shift people out of this cycle by providing additional incentives to stay unemployed. As a government we are doing a range of things. We do not let kids leave school now unless they have got further education or a job to go to. We are investing $3 billion in skills to ensure that Australians have the opportunity to take up those jobs that are on offer because of the health in our economy, unlike that of many of our OECD partners. We need to continue to focus on that goal. We need to get those kids out of that cycle. We need to put people into work.

I am advised that the proposal being put forward by the member for Melbourne amounts to a cost of some $13 billion over the forward estimates. I ask myself: what else could we be doing with that $13 billion? I would much rather be spending it on future investments in young people in particular to get them into work, to get them job ready, to get them skilled. We have seen this weekend the controversy over skilled migration. The controversy is there because we simply do not have the people and the skills to fill these jobs locally. What a tragedy that I still have kids sitting around idle, that I have retrenched workers at Hydro aluminium, but we still have not positioned ourselves sufficiently to ensure we can fill those jobs available in the mining sector. I understand the sentiments of the member for Melbourne; I know this motion is well motivated. But, again, I do not think you get people off unemployment by giving them an additional incentive to stay there.

Mr TUDGE (Aston) (11:46): Why are we debating this motion today and this year? Why are business leaders calling for Newstart to go up today? Why are some welfare agencies calling for Newstart to go up today? Why, given that Newstart has not changed that much over the last few years but has been indexed according to CPI across all of those years? The reason is that the cost of living has been going up so dramatically over the last five years under the Labor government, particularly many of the essential costs which lower income people bear as a greater proportion of their income than other people do. We know that, for example, electricity costs have gone up 66 per cent; water, 59 per cent; gas, 39 per cent; and child care, 21 per cent. Many of these costs have been due to government policy.

Given these essentials have been going up so rapidly, I can understand the call from the member for Melbourne and calls from others for an increase in the dole because its value may have diminished over time—and it will, of course, diminish further once the carbon tax is in play come 1 July. But I do not support this motion as it stands, firstly, because our priority should be addressing the cost-of-living pressures for everyone, particularly by ditching the carbon tax and the mining tax, lowering general taxes and making our economy more efficient so that cost-of-living pressures are downwards for everybody. That should be the most important priority.

The second priority should be to make it easier for those people who are unemployed to get access to work. That means looking at our industrial relations framework and making it easier for employers to employ people who are on the dole, to give them a chance and yet have the flexibility, if it is not working, to reasonably lay them off under a fair framework. We know that the current regime does not provide that incentive, so
that should be our second priority rather than increasing Newstart.

Thirdly, I do not believe that there should be any increase in the dole without some broader reforms to the welfare system, particularly an increase of the magnitude which the member for Melbourne is talking about. These reforms should be governed by the guiding principle that Newstart should be an adequate safety net but it should not become a disincentive to work. This is critical. Newstart is a safety net for people who are facing tough times, but it should not be a destination of choice. So I believe that if we are to move unemployment benefits in any way upwards, then that must be accompanied by some tougher actions to ensure that all able-bodied people are encouraged to work.

I am from the school of tough love. People of course must be supported to get work, but if they do not take a reasonable job offer then we must be clear about cutting off their welfare payments. I do not believe that we do anybody a service by allowing them to stay on welfare when there is a viable choice for that person to take. Ultimately, the longer a person sits on unemployment benefits, the more incapacitated they will become over time. That leads to welfare dependence and incapacitation. I think it is also the proper right of a taxpayer to say, 'We're happy to support unemployment benefits, but people have to take responsibility to take a job if one is available there.'

In a similar vein, we need to create greater incentives for longer term unemployed people to move to take work. We know that there are many jobs in some parts of Australia which are going begging and there are other parts of Australia where there are many people who are unemployed. Critically, I think we need to create the incentives and the culture for people who are unencumbered to move to where the jobs are.

Finally, we need to introduce greater reciprocity into welfare payments for able-bodied people. There is a social contract with the dole: we will make payments to unemployed people to support them during tough times but we expect responsibility in return—responsibility to give back through a work for the dole program and responsibility to be a good citizen if the taxpayer is supporting their existence.

Dr LEIGH (Fraser) (11:51): The issue of movements from welfare into work is one that has long concerned me. It was the reason that I chose 12 years ago to study overseas, researching on the topic of poverty and inequality, looking at the issue of how to move people from welfare into work and the relative effectiveness of interventions such as government jobs, wage subsidies and training programs. It is important that we make that transition from welfare into work as straightforward as possible, particularly for families with children. We know that there are intergenerational cycles of joblessness and we know that high-quality programs that increase employment are at the core of a civilised society.

The Henry review, in approaching the issue of income support payments, wrote of the iron triangle of means testing. The triangle was payment adequacy, program affordability and the incentive for self-support. In the Henry review a great deal of attention was given to the effective marginal tax rates faced by income support recipients. It was an issue that Labor focused on a great deal while in opposition. The Treasurer and the Minister for Families, Community Services and Indigenous Affairs spent many years focusing on the issue of high effective marginal tax rates. Thanks to much of the advocacy from Labor in opposition, those
effective marginal tax rates have been decreased.

Today we are debating the appropriate level of the Newstart allowance. I do not think any of us in this House would argue that the current level of Newstart is generous. But the Henry review argued that there ought to be a difference between levels of pensions and levels of what were called 'participation payments', of which Newstart is one. The Henry review argued for restructuring income support into three categories: a pension category, a participation category and a student category. It argued that pensions would be paid at the highest rate in recognition that people eligible for them are likely to rely on them fully for a long time. Participation payments would be paid at a lower rate to maintain incentives to work, the Henry review argued. The Henry review further argued that while there ought to be a difference between the levels of those payments, the same indexation levels ought to apply to all three sets of payments.

The challenge for those of us in considering a question like the level of Newstart payments is twofold. The first is that, as I read it, the bulk of the evidence suggests that higher unemployment benefits have the effect of decreasing transitions from income support into work. This effect is not as large as some have claimed and there are theoretical reasons where you might think it could go the other way—for example, if someone is having difficulty affording the costs of work. But the bulk of economic evidence—and I tend to go where the evidence tells me—papers such as Peter Fredriksson's and Martin Soderstrom's and the work of Anthony Atkinson and John Micklewright, seems to go in that direction. At the same time, we know that while we would like the Newstart payment to be a temporary payment, a significant number of Australians are on the Newstart payment for long periods of time. From memory, the Henry review reported around one-quarter of Newstart recipients have been on the payment for over two years. The issue of adequacy is therefore a large challenge.

If we had substantially more money in the budget, I would see no reason to oppose this measure. I would ideally like to be in a position in which we had the waves of tax revenue that were flooding into this country in mining boom mark I. But we are not in that situation at the moment, and so worthy measures, such as this one, sometimes do not get supported.

Mr CRAIG KELLY (Hughes) (11:56):

I rise to speak on the motion moved by the member for Melbourne which states:

That this House:

(1) resolves that Newstart payments are too low and should increase by $50 per week; and

(2) calls on the Government to find an appropriate savings measure to fund this increase.

Certainly those on the Newstart allowance, receiving just $245 per week, are finding things very difficult under this government. Just have a look at how some of the everyday costs of living have increased under this Labor government since it came to power in the December quarter of 2007. Health costs have increased by 25 per cent, education costs have increased by 31 per cent, gas is up 31 per cent, water and sewerage costs are up 59 per cent, and electricity, something that no-one in our country can live without, is up an incredible 66 per cent. And that is all before the effect of the carbon tax which will push up the cost of everything.

The best thing we can do for those on the Newstart allowance is to provide them with the hope, opportunity and dignity of obtaining and securing an ongoing job. But the only way that we can do that is by having business conditions for the private sector,
especially small business, that enable them to get out and invest by starting new businesses to create real jobs. But this government, with the full support of the Greens, is doing the opposite. It is increasing red tape for small business and now has decided to burden them with the carbon tax. The greatest crime that can be perpetrated on those on the Newstart allowance is to impose upon the Australian economy not only a carbon tax but the world's largest carbon tax, one that will increase year after year.

As for those on the Newstart allowance, they will receive a double whammy from the carbon tax. They will face not only increasing costs of living as prices rise across the board—especially electricity costs—but ultimately the carbon tax, which is a job killer. It will simply make it more and more difficult for those on Newstart to find a job. Forget the deceptive nonsense espoused by members of the government that the carbon tax will be paid by the so-called big polluters, because we all know the carbon tax will simply be passed on to every single business in Australia through higher electricity costs. One must ask oneself if the member for Melbourne is culpable in forcing many more Australians on the Newstart allowance to pay this carbon tax than there otherwise would be.

The second point of the member's motion touches on an important issue. Indeed, the government should be delivering real savings measures as these will help those on Newstart by freeing up finance for our entrepreneurial small business people, aiding their efforts to generate the new jobs that we need. While it would take several days to detail the countless areas where government spending should be reduced—

Debate interrupted.

The DEPUTY SPEAKER (Mr KJ Thomson): Order! It being 12 noon, in accordance with standing order 34, the debate is interrupted. The debate is adjourned and the resumption of the debate will be made an order of the day for the next sitting. The member for Hughes will have leave to continue speaking when the debate is resumed.

COMMITTEES
Economics Committee
Membership
The DEPUTY SPEAKER (Mr KJ Thomson) (12:00): The Speaker has received advice from the Chief Opposition Whip nominating members to be supplementary members of the Standing Committee on Economics for the purpose of the committee’s inquiries into the Clean Energy Finance Corporation Bill 2012, the Clean Energy Legislation Amendment Bill 2012, the Clean Energy (Customs Tariff Amendment) Bill 2012 and the Clean Energy (Excise Tariff Legislation Amendment) Bill 2012.

Ms COLLINS (Franklin—Minister for Community Services, Minister for the Status of Women and Minister for Indigenous Employment and Economic Development) (12:01): by leave—I move:

That Mr Fletcher and Mr Tehan be appointed supplementary members of the Standing Committee on Economics for the purpose of the committee’s inquiries into the Clean Energy Finance Corporation Bill 2012, the Clean Energy Legislation Amendment Bill 2012, the Clean Energy (Customs Tariff Amendment) Bill 2012 and the Clean Energy (Excise Tariff Legislation Amendment) Bill 2012.

Question agreed to.
BILLS

Shipping Reform (Tax Incentives) Bill 2012
Shipping Registration Amendment (Australian International Shipping Register) Bill 2012
Coastal Trading (Revitalising Australian Shipping) Bill 2012
Coastal Trading (Revitalising Australian Shipping) (Consequential Amendments and Transitional Provisions) Bill 2012
Tax Laws Amendment (Shipping Reform) Bill 2012

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

Mr TRUSS (Wide Bay—Leader of The Nationals) (12:02): I move:
That all words after "That" be omitted with a view to substituting the following words:
"the House declines to give this bill and associated bills a second reading until the bills have been referred to the Productivity Commission to:
(1) assess the Government's proposed 'shipping reform package' for both international and coastal trades with reference to the current and historical arrangements;
(2) measure and discuss the economic and environmental impacts of reducing or increasing regulation of Australia's coastal shipping services to Australian manufacturing and industry dependent on coastal shipping services, the wider economy and Australia's coastal trading fleet, including passenger services;
(3) provide recommendations on policy options that would achieve the Government's objective for a viable, competitive shipping service in Australia for both coastal and international shipping that is in the national interest, lead to productivity gains and will not disaffect Australian manufacturing, industry and tourism; and
(4) report on or before 31 December 2012."

In speaking on the Shipping Reform (Tax Incentives) Bill 2012 and related bills, let me begin by emphasising that there can be no doubt that Australia's shipping industry must play a more important role in our freight network. As I said when the Minister for Infrastructure and Transport, the Hon. Anthony Albanese, announced this package in September last year, for an island nation such as Australia our maritime industry is a vital part of the national and international transport network. In fact, we have the fourth largest shipping task in the world. Sea transport carries over 99 per cent of international cargo by weight and about 75 per cent by value. Domestically, ships carry around one-quarter of our freight. Despite this, there are only 22 Australian registered ships operating on our coast and that number has been in decline for a long time.

With our freight tasks set to double by 2020, and treble along the eastern seaboard over the same period, it is vital that shipping play a more important role in our freight network. Unless the quantity of domestic freight carried on ships can be increased substantially our roads and rail system will choke and our economy will be slowed. Shipping has the capacity to move large quantities of cargo across vast distances, take trucks off the road and relieve pressure on our rail network.

The five bills that comprise the shipping-reform package are designed to provide a regulatory framework for coastal trading in Australia, which the government claims will stimulate growth in the number of Australian ships on our coast, enhance the role of shipping as part of our national freight network and maximise the use of Australian flagged vessels. The package attempts to
achieve these objectives by introducing a variety of financial incentives for Australian flagged ships, including company and income tax changes and accelerated depreciation for ships and the creation of a second register of Australian ships to be known as the Australian International Shipping Register. This will be available to ships meeting the eligibility criteria, which include the requirement to have two senior Australian officers on board. Finally, the package abolishes part 6 of the Navigation Act 1912 and in doing so abolishes the current permit and licence system and replaces it with a new, three-tiered licence system.

The idea of shipping reform has been around for years. A House committee inquiry from 2008 made a series of recommendations and a number of policy reform groups have been working in the area since 2009. This work culminated in the minister's announcement in September last year which broadly outlined the government's proposed shipping reform package. The minister also announced that the introduction date of the reforms would be brought forward by 12 months so the new scheme would commence on 1 July 2012—only a matter of weeks away.

At the time, industry expressed concern at the lack of detail contained in the minister's announcement, with Shipping Australia saying:

"Much will depend on the detail of how the reforms are enacted whether that objective will be achieved. The details of the criteria for the second register and the training packages as a result of the establishment of the forum to develop skills and training in the industry, are some of the issues on which we are awaiting further details."

The Australian Shipowners Association said:

"The detail that sits behind these measures is critical and we look forward to seeing the draft legislation in the near future."

In the near future ended up being about three months later when the first draft of the Coastal Trading (Revitalising Australian Shipping) Bill and the Coastal Trading (Revitalising Australian Shipping) (Consequential Amendments and Transitional Provisions) Bill were released for public comment. The industry consultation period identified serious flaws in the bill and resulted in a significant rewrite of the bill, which was released for public comment at the same time as the other bills that comprise the shipping reform package in February this year.

The bills are very complex but consultation was only open for a few weeks, and consideration of the submissions received was very brief, before the minister introduced the package into parliament on 22 March 2012. The package that was introduced included new provisions not contemplated during the consultation process. The coalition referred the bills to the House Standing Committee on Infrastructure and Communications, and the Senate Standing Committees on Economics, for their consideration. The House committee was given an extremely limited opportunity to look over the bills and assess the numerous submissions provided by various industry participants as to the deficiencies in the bills. I have mentioned many times before that it is disappointing that the House committee process is not living up to the expectations in the new paradigm of the hung parliament. Shipping regulation is a broad and complicated area and I was disappointed that the House committee did not have a proper opportunity to inquire deeply into the package.

These bills, if passed, would have a very significant impact on our coastal shipping industry. As the minister has often stated, this is a historic reform of our shipping industry. If the government has got it wrong
it could decimate what is left of domestic shipping and lead to the loss of thousands of land based industry jobs which are unable to compete with imports carried on international vessels. Yet the House committee was only given the opportunity to have a cursory inquiry into the package. The new paradigm was supposed to enhance the role of the House committees, but they seem to be able to contribute less in this parliament than at any time before—not to mention the fact that the Senate committee inquiry into these bills is not due to be tabled until June and debate is being commenced in this House without the opportunity to have the benefit of the senators' advice before we are required to vote on these bills in this place.

The overarching criteria by which this legislation should be assessed is whether it will meet its objectives. The Minister for Infrastructure and Transport, the Hon. Anthony Albanese, in announcing the package in September last year, said:

What we are doing is creating an economic and regulatory environment that will revitalise and sustain growth and productivity in our shipping industry.

Will the bills before the House revitalise the Australian shipping industry? Will the bills before the House result in a significant increase in the number of Australian flagged vessels operating on our coast? I am not convinced that this is the case. The coalition members on the House Standing Committee on Infrastructure and Communications were not convinced, and many industry participants are not convinced.

From the outset I should say that I support the shipping industry in Australia playing a greater role in interstate and intrastate trade. As I previously mentioned, shipping already overwhelmingly provides our international trade. This has been the consistent position of the Liberal and National parties for some time. However, the coalition is not convinced that this package will revitalise our shipping industry of itself. In fact, we are gravely concerned that the opposite might result, with the Australian industry declining to such an extent that our maritime cluster, the associated industries that rely on coastal shipping, will decline to such a point where the Australian industry will reach a terminal position.

The first objective listed in clause 3(1) of the Coastal Trading Bill is that the regulatory framework promotes a viable shipping industry that contributes to the broader Australian economy. Does this package achieve this goal? Shipping Australia says in its submission to the House committee inquiry:

... some of the provisions, at least in the Coastal Trading Bill, 2012 are confusing and, in our view, require substantial amendment to meet what we understand to be the objects of the Bill.

Tom Pinder from Australian Coastal Shipping, which is involved in the east-west containerised coastal trading, says:

The proposed legislation, as it relates to coastal container shipping, can only exacerbate this situation and will not result in any Australian flagged/registered ships valiantly taking up the challenge of carrying containers on the principal coast route, namely, east coast to west coast.

... A continuation down the path of a one size fits all [policy] will result eventually in all of the current east west freight task being diverted to the inadequate infrastructure of road and rail with hugely increased costs and a totally detrimental effect on the carbon footprint of the country.

The Dry Bulk Shipping Users, which represents 60 per cent of the customers of coastal trade, is worried about the impact that the shipping reform package will have on the Australian manufacturing industry. They argue that a competitive coastal shipping industry is vital to ensure the continuing viability of a variety of Australian
manufacturing and other industries, such as cement, sugar and fertiliser manufacturing. If it is too expensive to ship these goods around our coast, what is to stop cement being imported from China or sugar from being imported from Thailand instead? That outcome certainly would not meet the bill's stated objectives.

The Australian Logistics Council in their submission raised questions about how many ships this package would see come onto the Australian register or the second register. How many ships does the government forecast will revitalise our coastal shipping industry? The department says:

Given the range of consideration that the shipping investors and companies may have regard to in assessing where vessels will be registered or entered into service it is not appropriate for the Department to speculate on the number of vessels that may take the opportunities afforded by the new investment platform.

In other words, they do not know. So the department does not know if this legislation will revitalise the Australian shipping industry.

The shipping industry's leading companies are saying this regime will not attract them to the Australian registry or to the Australian market. What is clear from the submissions from industry to both the House and Senate inquiries is that the new licensing scheme will increase the regulatory burden on the shipping industry.

Many of the submissions to the House and Senate inquiries focus on the red tape which will be created by the new temporary licensing system. The Coastal Trading (Revitalising Australian Shipping) Bill 2012 abolishes part VI of the Navigation Act 1912 and in doing so abolishes the current permit and licensing system. The bill provides for a three-tiered licensing system: (1) a general licence which provides unrestricted access for Australian registered vessels crewed by Australians, permanent residents or foreigners with appropriate work visas to engage in coastal trading in Australian waters for a maximum of five years; (2) a temporary licence which provides limited access to engage in coastal trading for foreign flagged vessels or Australian international second register vessels for a 12-month period for specifically identified voyages; and (3) an emergency licence which provides extremely limited access in identified emergency situations such as natural disasters.

Many shipping companies have identified deficiencies in the temporary licence system which will be established under the new act. Caltex puts industry's concerns quite distinctly in their submission to the House committee inquiry when they say:

The shipping reform package, in particular the [Coastal Trading] Bill, will increase red tape at a time when the Commonwealth and state governments, together with business, are seeking ways to reduce it. The Bill contains clear examples of unnecessary and unproductive regulatory requirements and therefore should be subjected to close scrutiny to remove all regulation not essential to the objects of the Act and the broader national objective of improving business productivity through greater efficiency.

It is ironic that at the same time the House is about to consider the implementation of a national maritime safety regulator, which will see the industry benefit from a single national regulator as opposed to eight separate systems established by 50 separate pieces of legislation, the House is considering this legislation, which will increase red tape on the same industry.

There are a number of difficulties with the temporary licence system—firstly, the information required to apply. One of the main deficiencies identified by industry is the prescriptive requirements for an
application for a temporary licence. The department, in their supplementary submission to the House committee inquiry, says:

Extension to a 12 month period [for a Temporary Licence as opposed to a continuing voyage permit which lasts for three months] will provide holders of these licences with greater certainty regarding their shipping arrangements.

However, the companies which would apply for these temporary licences clearly disagree. According to the explanatory memorandum to the coastal trading bill, a temporary licence will be issued for 'only those voyages where the required information is known, including expected loading dates, loading and discharge ports and cargo type and volumes.' How can the government expect industry to provide such detailed information for an entire 12-month period in advance? As Shipping Australia says:

It is impossible to forecast the movement of such cargoes over a twelve month period in terms of expected loading dates, kinds of volume of cargo, type of vessel and the ports of loading and unloading of the cargo.

This will be a particular problem in the break bulk and bulk industries. This concern is echoed by Caltex in their submission when they state:

Given the variable nature of our operations it is not possible for Caltex to nominate its coastal trade for the coming 12 months because this is not known nor planned more than three months in advance. This has been the normal operating practice of Caltex, which will be adversely impacted by the requirements of the [Temporary Licence] regime.

Shell backs up this assertion stating:

Overall the Temporary Licence system appears more complicated and burdensome to both the oil industry and the Department than the existing Permit system, and in our opinion, will fail to deliver any of the objectives of the Act in respect to the oil tanker segment of the Australian shipping industry.

The Australian Association for Maritime Affairs state that they remain concerned that the draft legislation seeks to 'develop a national coastal shipping industry by using restrictive and ultimately expensive cabotage measures.'

The cruise industry have also expressed concerns about the prescriptive nature of the temporary licence as detrimentally affecting their business. This could have a serious impact on Australia's tourism cruising industry. In practice, the conditions of the temporary licence will be cumbersome for shippers and will add to their regulatory burden. How can the sugar industry, for instance, know 12 months in advance how big the crop is going to be, where it is going to be sold to, who the buyers will be and when they will want to take delivery of the sugar? All of that information has to be provided before they can get a permit to hire the ship to move this vital Australian cargo around our coastline.

Secondly, there is the system for variations to a temporary licence. It should be noted that it is possible to apply for a variation to a temporary licence under the coastal trading bill. However, to do so requires amendments to a minimum of five voyages. Shipping Australia says about the variation process:

This simply does not make sense. If an applicant does expect to have five voyages over the twelve month period [of their Temporary Licence] but then finds he has seven voyages he can't seek a variation to the temporary licence?

Why this arbitrary limit has been introduced is unclear and it adds further complexity to the system. If, for example, an applicant would like to add two new voyages to their temporary licence in a 12-month period they are unable to do so, and, if no other vessel is available, the goods would have to travel by road or rail or not at all. In this way these changes have the potential to disadvantage
rather than encourage coastal shipping as a viable transport mode.

Additionally, to apply for a temporary licence in the first place, a minimum of five voyages is required. As noted in the explanatory memorandum for the coastal trading bill:

One exposure draft of the Bill released for public consultation proposed that the minimum number of voyages be set at ten voyages. There was broad consensus from industry that many operators could not provide sufficient detail for ten voyages and that five voyages was more practical.

However, 10 or five, industry's concerns remain. This has been identified by a number of industry participants as a problem. As Caltex states:

Implementing a minimum voyage requirement on [Temporary Licence] applications is not practical or reasonable. The requirement places unnecessary restrictions on shippers who undertake less than five voyages in a 12 month period and disadvantages these stakeholders whose trade is not likely to encourage investment on the coast due to their variable needs and low demand.

Caltex then goes on to say that in such circumstances companies may be forced to include 'bogus' or 'fictitious' voyages in their applications to meet the threshold.

The possibility of 'fictitious' voyages being included to allow a grant of a temporary licence is also discussed by Australian Shipping Consultants in their submission to the House committee inquiry and the Australian Shipowners' Association.

The ASA state in their submission:

Applicants who genuinely require fewer voyages than the minimum set will be forced to provide spurious information to make up the set number required. This is not in the interest of the applicant, [General Licence] holders who may wish to nominate or the Department—who will be processing the application. This is an example of red tape which must be avoided.

Obviously this would not meet with the objectives of the bill and increases the regulatory burden for businesses. Caltex goes on to say that in 2010 Caltex undertook only three petroleum product voyages and in 2011 only undertook four voyages. While Caltex did undertake coastal trade in crude oil movements, which would allow them to meet the five-voyage minimum requirement, their case goes to show that it is possible for specific industries to fall below the requirement. Shipping Australia also comments on the five-voyage limit in their submission, stating:

… the minimum of five voyages, which in our view, discriminates against the smaller coastal shipper who may, for example, have two or three voyages per year …

They also note that when the Fair Work Act was extended to foreign flagged coastal shipping it was limited to those shippers undertaking more than two coastal voyages per year. Two or fewer was considered incidental and the Fair Work Act would not apply. Despite this, the coastal trading bill seeks to establish a whole new minimum standard. In response to industry's concerns about the five-voyage limit, the department states that the vast majority of shippers undertake in excess of five voyages per year so they would qualify under the new temporary licence. However, they acknowledge, 'For the small number of operators requiring fewer than five voyages, the new arrangements may require some reconsideration of their operating requirements.' If I might add: What—go out of business, or not be innovative and introduce, for the first time, shipping in an area where it currently is not being used? This would kill innovation and prevent the extension of shipping operations to industries where it does not currently happen. As for the department's rationale for the minimum limit, it says:
The decision to impose a minimum seeks to encourage shippers and operators to plan ahead and consider what their shipping requirements will be over an extended period of time, rather than on a voyage-by-voyage basis.

This explains the 12-month limit on a temporary licence perhaps but not the minimum number of voyages. The Australian Logistics Council states in their submission to the House inquiry:

In the absence of an explanation why the arbitrary figure of five voyages was picked, ALC would recommend the five voyage threshold to eligibility to apply for a temporary licence be removed from the legislation.

The Coalition agrees.

In addition to the above concerns with the new licensing system, a number of other deficiencies have been identified in the package. As noted by Allianz and Suncorp in their submissions to the Senate and House inquiries, there is currently a gap in workers compensation protection for crew employed on vessels registered under the Australian international shipping register while engaged in coastal trading. The department acknowledges this limitation and is preparing advice on how to address this matter—which just goes to show that this legislation has not been thought through.

The reporting requirements for the coastal trading bill are another layer of unnecessary red tape for the shipping industry. Under section 61 of the coastal trading bill, the licence holder must notify the minister at least two business days before the vessel is loaded to undertake a voyage authorised by a temporary licence. Section 62 states that within 10 business days after the completion of each voyage authorised by a temporary licence, the holder must give a report to the department on the particulars of the voyage. A contravention of these requirements could lead to a temporary licence being cancelled. As noted by some industry participants, all this paperwork seems unnecessary. The licence has been issued for a particular number of voyages and the subsequent reporting before and after an authorised voyage seems redundant.

Under the new licensing scheme, general licence holders are able to object to particular voyages of temporary licence holders if they believe they are able to carry the cargo. However, there is no way that temporary licence holders or their customers can determine if a general licence Australian-flagged vessel is available up to 12 months in advance. For this reason, the Australian Shipowners Association and some other stakeholders have recommended establishing a publicly available register of general licence holders.

The bill provides that the minister will determine the minimum wage to be paid to crew on a vessel on the Australian International Shipping Register by legislative instrument for each category of seafarer. The wage cannot be lower than the International Transport Federation template agreement. Shipping Australia has raised concerns that the minister could determine higher wages for seafarers when compared to the ITF agreement and, if this were to happen, the shipping register would not fulfil the objective of creating an internationally competitive register.

To have access to some of the taxation incentives, training requirements will have to be fulfilled. However, the details of these training requirements are yet to be finalised by the Maritime Workforce Development Forum and will thus be contained in future regulations. Other concerns with the taxation incentives have been raised by taxation experts. The submission from Moore Stephens Accountants and Advisers, as the world's leading shipping accountant and
adviser, provides some interesting points. They state:

… in our opinion some of the features of the proposed law do not do enough to put Australia on an equal footing with the rest of the world's prominent shipping nations and as a result may not achieve the objective of reinvigorating the industry.

The government's regulatory impact statement on the bills states at paragraph 156:

With a tighter cabotage policy, Australian shippers of domestic freight incur higher costs from lost opportunities to take advantage of cheap transport in passing foreign ships and having to pay for empty repositioning voyages by domestic ships. Part of the cost of empty voyages by foreign ships may be passed on in the form of higher freight rates to the Australian exporters and importers that employ the foreign ships to carry their international cargoes.

However, the Australian Logistics Council notes in their submission that no attempt is made in the regulatory impact statement to quantify this and put a figure on just how much more the users of coastal shipping would have to pay under the new arrangements. It has been well publicised that the dry-bulk uses of shipping in Australia, which represents 60 per cent of the customers, are concerned about the fact these issues will impact on their industry.

The prospect of cheap imports replacing Australian manufacturing and industry is extremely concerning. The government seems intent on increasing the costs to manufacturing and industry to such an extent that it is no longer economically viable. When shipping sugar from Thailand is cheaper than shipping it around the Queensland coast, and when shipping cement from China is cheaper than shipping it from port to port, you have to wonder what message we are trying to send to our manufacturing industry.

The government's regulatory impact statement acknowledges that freight prices might go up, but it ignores the fact that there are alternative supplies overseas that can replace our local industries and the jobs that go with them. Many customers have sought further investigation into the financial implications of the package on the cost of moving freight. A number of submissions to the House and Senate inquiries requested that a Productivity Commission inquiry be held to determine what impact this complex regulatory change will have on the Australian coastal shipping industry, the cost of freight and the costs to the coastal shipping customers. The coalition supports this move, particularly in light of the truncated House committee inquiry that has been held. I have also discussed this matter with the member for New England, who shares similar concerns. On that basis, I have moved the amendments circulated in my name, which will have the effect of deferring the debate on this legislation until the Productivity Commission has had a proper chance to look at this bill. Finally, I would like to make a few comments about the industry compact. When the minister announced the package in September, he stressed the importance of a compact between shippers and the unions. Traditionally, Australia's shipping industry has been uncompetitive internationally. The higher cost of running an Australian as opposed to a foreign flagged vessel has been prohibitive. When the minister introduced the package in March he said:

The final element of the reform package is labour productivity.
We are committed to aligning Australian productivity practices with the best in the world. To do this, we will need a compact between industry and unions.
… this compact must include changes to work practices, a review of safe manning levels and the use of riding gangs on coastal vessels.

This compact is essential to the reform agenda. I agree. If the government is going to provide generous taxation concessions, then it is absolutely essential that there be a radical reform to the labour practices in the Australian shipping industry and to the way in which our ships are managed. It is essential that there be a compact which brings our productivity practices in line with the best in the world. Where are the productivity gains that will see shipping's decline in our freight network turnaround?

The compact remains unfinished. The House is being asked to vote on this bill, which is fundamentally based on a compact between the maritime unions and the Australian shipping industry, and yet we have still not seen the detail of this compact. The Department of Infrastructure and Transport has said:

The Department is not involved in developing the compact. Accordingly, any questions regarding this matter should be referred to the relevant industry parties.

So we do not have the compact but the legislation is critically dependent on this compact—this legislation that is going to deliver such reforms to the Australian shipping industry and such a transformation in past practice that international shippers will once again be interested in investing in Australia! Frankly, history suggests to us that the MUA, the Maritime Union of Australia, is not given to making concessions in relation to workplaces. Is it any wonder that the coalition is sceptical?

The coalition is committed to the Australian coastal shipping industry. We acknowledge the importance of the goal of revitalising our shipping industry. However, we doubt this package will achieve this objective. That is why we are moving that debate on the bills be deferred until the Productivity Commission has had an opportunity to examine the proposed measures. In the committee stages, we will be moving further amendments to seek to improve this proposal, particularly the new permitting arrangements, to try and make them practical and to make that section of the bill more workable.

The DEPUTY SPEAKER (Mr Lyons): Is the amendment seconded?

Mr Randall: I second the amendment and reserve my right to speak.

Mr ADAMS (Lyons) (12:33): Hearing the Leader of the Nationals takes me back to 1999, when John Anderson, the then Leader of the National Party and Commonwealth Minister for Transport and Regional Services, declared that Australia is 'a shipper, not a shipping nation'. Send all the livestock overseas to be processed. Do not worry about having any ships in Australia. That is the National Party position. 'As long as we look after our constituency, who cares about anything else? Don't care about the nation, just concentrate on what we're interested in.' I am very, very sad to hear all that.

These are exciting times and exciting opportunities for Australia as a nation. Last week, it was good to receive the great news that Tasmania is receiving a one-off package of $20 million to help Tasmanian exporters reach international markets. This has come about as a result of the rising transport costs for Tasmanian exporters and the difficulties exporters face with the sole shipping container operator into Tasmania ceasing its operations. However, more needs to be done to ensure that Tasmanian exporters have equal access to the export trade and to export transport. These bills therefore come at an opportune time to help Tasmania restructure its freight carrier systems and look at new
ways to integrate transport in the state and overseas, not ruling out the possibility of international ships calling again to Tasmania.

Shipping reform seems to be well overdue. I understand from the minister that there are aspects of shipping law that have not changed for over 100 years, which seemed to amuse the crew on the *Insiders* program yesterday. The Shipping Reform (Tax Incentives) Bill 2012 provides a mechanism for the shipping industry to obtain a certificate for an initial step in gaining access to a range of taxation concessions for the shipping industry. Additional criteria are contained within the Tax Laws Amendment (Shipping Reform) Bill 2012. I would have thought that was a pretty good aim for Australia as a nation to encourage ship ownership and ship operations in Australia, as well as to encourage the employment of Australian seafarers.

Shipping is a global industry, characterised by intense competition among international companies with relatively few barriers to entry and exit. Vessels in more than 30 foreign jurisdictions—with which Australian vessels must compete—receive the benefits of fiscal support, for example, tonnage tax and taxation concessions, exemptions and subsidy schemes under their home registries. This has tended to lead to bigger ships and therefore many of these countries have introduced fiscal support measures as a means of retaining ships on their national registers, rather than see their national flags moved to foreign registries over which they have less direct control. This action has seen their formerly sinking national registries attract back many of the defecting ships and is consistent with the findings of the House of Representatives committee on infrastructure and transport. I think of the British government's situation during the Blair years where it was bringing back shipping and a shipping industry for the UK. That seems to have worked tremendously for them. The regional development and local government department notes that supportive fiscal measures have resulted in an increase in additional tonnage back to national registers. The tax incentives will provide for the following: accelerated depreciation, with rollover relief for owners of Australian registered eligible vessels; an income tax exemption for Australian operators of Australian registered eligible vessels on qualifying income; a refundable tax offset for employers who employ eligible Australian seafarers; and an exemption from royalty withholding tax for foreign owners to eligible vessels leased under a bare boat or demise charter to an Australian operator.

This bill is the first step a taxpayer will need to take in establishing their eligibility to access the tax concessions. It provides for the issue of certificates after the end of the financial year to applicants who need to meet the requirements of the regime. It also provides companies applying for those concessions for the first time the opportunity to obtain a notice during the first year of entry that will give them a degree of comfort that the arrangements they propose will meet the requirements of the Shipping Reform (Taxation Incentives) Bill 2012, thus reducing the pressure on both them and the department when they are compiling their tax returns.

In summary, the new legislation will: establish eligibility criteria for access to the taxation concessions by defining 'eligible company' and 'eligible vessel'; provide a framework for the Department of Infrastructure and Transport to issue applicants with a notice and, later, a certificate confirming they have satisfied the department's requirements for the certification; provide for the department to
collect and collate data in relation to these reforms; and provide for decisions to be reviewed if disputed.

The other issues I wish to mention relate to the Coastal Trading (Revitalising Australian Shipping) Bill 2012—which I think is very well named—the Coastal Trading (Revitalising Australian Shipping) (Consequential Amendments and Transitional Provisions) Bill 2012 and the Tax Laws Amendment (Shipping Reform) Bill 2012. As most people are aware, we are in the middle of a resources boom. Yet only one-half of one percent of that boom is carried by Australian flag vessels—hence my original statement. In the past decade the Australian fleet has gone from 55 ships to 21, with only four operating on international routes. Our ports manage 10 per cent of the world's entire sea trade and $200 billion of cargo is moved annually. I wonder how much of that insurance is written in Australian dollars by Australian companies.

We need to encourage more investment in shipping within Australia, and these ships will be the catalyst to attract an increase in shipping.

As we have found in Tasmania, Mr Deputy Speaker Lyons, as you would be well aware, Australian shipping is at a critical juncture in its ability to continue to be viable. Ships are getting bigger, which puts pressure on the ports they visit and affects which ones they can get into, and their business plans are changing because of that. The lack of an Australian shipping industry that can compete in the international market place is a lost national opportunity—and certainly for Tasmania it is an even bigger one.

One of the consequences of this lack of investment is that the average age of the Australian fleet now sits at almost 20 years, as against the global average of 12 years. The age of our fleet has implications for the industry's productivity and environmental performance. Modern vessels incorporate new technology delivering greater efficiencies and, of course, better environmental performance. Without new investment in the fleet, Australian shipping will continue to lag behind world standards. These bills aim to: promote a viable shipping industry that contributes to the broader Australian economy; facilitate the long-term growth of the Australian shipping industry, enhance the efficiency and reliability of the Australian shipping industry as part of the national transport system; and maximise the use of vessels registered in the Australian general shipping register.

However, a ship is only as good as its crew. That is why a key element of the government's reform package is workforce development. We must attract, train and retrain a skilled seafaring workforce. We must attract, train and retrain a skilled seafaring workforce. There will be no incentive to invest without the right people in the right jobs. In Tasmania we have the Australian Maritime College, which is part of the University of Tasmania. That is partly in your electorate, Mr Deputy Speaker Lyons, and it is partly in mine. It will certainly give us an opportunity to not only train local seamen but offer courses for many other countries—as we have done in the past, especially throughout Asia and the Pacific region but also in other parts of the world.

On the simulator at the Australian Maritime College people can learn how to bring ships in to dock. And you, Mr Deputy Speaker, like me, have probably knocked over a couple of wharves using that piece of equipment! It is a major piece of equipment. There are ships belonging to the Maritime College tied up at the jetties at Beauty Point. They take engineers and trainee masters to sea to teach them how to gain the skills to work in the industry. So we have the facilities and we have many opportunities
which can be expanded through that college. The college has experimental facilities through which a huge volume of water can be moved—a research component which I am sure we can grow into the future. That gives us an opportunity to bring seamen from all over our part of the world into better training plus an Australian seafarers training package. I note that we do need to go through the compact and work out what are modern work practices and what helps the productivity process, which gives us the opportunity to make our shipping viable internationally. I am sure we can achieve those things.

This is a very important set of bills for my home state, Tasmania. They are important in the restructuring of the shipping industry. I commend the minister for the interest he has taken in this and for making it happen. It is a vital part of the development of the national economy through infrastructure, and we need to continue to build on that infrastructure into the future. I certainly support the bills and I oppose the amendment.

Mrs Mirabella (Indi) (12:45): I rise to speak in support of the amendment. The arguments were very eloquently put by the Leader of the Nationals. It is a very sensible amendment at a time when the Australian economy and manufacturing are undergoing very challenging circumstances. It is incumbent on all of us in this House to ensure that new legislation passed does not add to the uncompetitiveness of Australian industry, as is the case with much that has passed this House of late, particularly the carbon tax. Industry has been hammered left, right and centre. Little regard is given to the long-term viability of the manufacturing sector. This amendment is very sensible in that it aims to ensure that legislation is not passed that causes more damage to a fragile manufacturing and industry situation.

What we all want is a competitive industry, a viable coastal shipping industry that adequately and competitively services Australian industry. We have heard from industry that the legislation will do anything but that, that it will cause great damage, add to costs and add to import replacement. That is an extremely unsatisfactory situation. The impact of these bills will be an absolute flood of imports into Australia, because currently it is as cheap, or costs the same, to bring cement from China to Australia as it is to take it from one Australian port to the other. The impact of these bills, if they are passed, will be to make those international imports competitive and cheaper than shipping from one Australian port to the other. Anyone on any measure would say that is absolutely insane and it is what is going to happen. It is causing great consternation to the industry. New research from Deloitte Access Economics has said that the coastal trading bill will cost the economy up to $466 million in the next decade and that we will see freight charges increase by 16 per cent. Conservative estimates are that it will kill off 570 full-time Australian jobs.

This is an attack on Australian industry at a time when it can least afford it. It is rushing this legislation through as a sop to the Maritime Union of Australia instead of looking to the national interest to see what is the best possible scenario for the Australian shipping industry but also for Australian industry. It is not just industry that will be affected. It is agriculture as well. Sugar is already being shipped from overseas directly to Australia because it is cheaper than shipping it from eastern Australia. So we have sugar being imported to the southern ports of this nation because it is cheaper. The legislation will only exacerbate these sorts of situations.
Quite ironically, we have Australian industry that is at the cutting edge of technology to reduce their emissions, like Australian cement producers who are leading the world in technology for low-emissions production. Yet this bill will make cement from China, Indonesia, Taiwan and Thailand cheaper and radically undercut Australian suppliers just on the shipping costs alone. So, at a time when the government has legislated for the world's worst and most expensive carbon tax, it is providing an absolute disincentive for Australian industry to continue the good work that they had started well before the carbon tax legislation was even mooted.

We will see Australian jobs go, a worldwide CO₂ increase because it is cheaper to manufacture overseas, and the government refuses to acknowledge these basic facts. You have to ask the question: when so much is at stake, why is the government not waiting until the Productivity Commission has reported on the impacts of this legislation? Why do they want to rush it through? What have they promised the Maritime Union and why are they afraid of allowing full scrutiny of the very valid issues that are concerning Australian industry across the board?

Whilst the bills may promote protectionism of Australian shipping, what is the impact going to be on Australian manufacturing and industry? At a time when it is acknowledged—and all you have to do is visit any manufacturing hub around Australia—that Australian manufacturing is doing it tough, and Australian industry is doing it tough, where is the proper analysis of the impacts that this legislation will have on Australian industry? Ironically, it is being promoted as an environmental reform and as being important to protect the environment, but that is another furphy.

We see that the minister has referred to shipping incidents that could potentially cause damage to our environment—they have included references to a coal ship that was grounded on the Great Barrier Reef—but omitted that the accidents were not foreign vessels operating coastal voyages but international vessels, and that will not change as a result of these bills passing into law. So there is a bit of mixing of the facts and the truth to make a case. It is almost as if the government decided: 'They're our mates; they've extracted their price. We've got to pass these bills and we'll make up whatever excuses and reasons we need to to ensure that this legislation passes, because that's what will keep the Maritime Union happy,' and that is just not good enough. Day after day after day we hear that the government are consumed with their own survival, with their internecine warfare and with keeping happy their mates who nominate them and put them into parliament at the expense of providing national leadership, of governing for all Australians, of all Australian jobs and of all Australian industry.

Dry bulk shipping users in Australia are extremely concerned and extremely anxious about their competitiveness when they look at the impacts of these bills, because they are extremely dependent on freight to move their goods around the country. We look at—we have mentioned cement and sugar—fertiliser, bauxite, iron ore and gypsum. When you look at all these goods many of them are absolutely critical to our modern economy and to our growing economy, so what will we do with these bills? What we will do is rely on imports instead of providing an opportunity for domestic manufacturers of, say, cement and gypsum to be part of whatever aspects of our economy are growing, and those segments will be taken up increasingly with buying imported products.
It is quite unusual that the government have gone on this very heavy-handed approach because, when we look at the facts, we see that 70 per cent of Australian coastal shipping is already undertaken by domestic vessels. It is extraordinary that the government have not been able to actually demonstrate what the economic benefits of these bills will be. Their own regulatory impact statement and of course the analysis undertaken by Deloitte Access Economics show that there is a decrease of economic activity in this country. Even on their own analysis they recognise that there is going to be some damage.

So what is some of this damage going to be? It will lead to an increase in coastal shipping and of course that means, necessarily, an increase in freight rates by up to 16 per cent. That is a scenario where domestic ships replace foreign ones. Again, that is an enormous increase in the cost structure for Australian manufacturers and Australian industry. We have had the usual scaremongering from the government incorrectly claiming that this is all about using cheaper labour and cheaper wages, but the reality has been that under the Fair Work Act Australian award wages have been paid to employees operating on a coastal shipping voyage.

But the government does need to acknowledge that it is definitely more expensive to use Australian ships. Why is that? Let us just look at some of the conditions—and these are extraordinary conditions; we need to remind ourselves that we live in a global world and we need to be competitive. These conditions include, approximately, taking one day off for every day worked—that would add an extraordinary cost to using an Australian ship—and increased annual leave of an extra five weeks. These are real costs that are borne by those who use Australian flagged vessels. Again, where is the thorough review of the economic impacts of these bills?

Why can't the government wait for the much respected Productivity Commission to present them with their analysis? The answer is that no-one from the other side of the House in this debate has considered in any serious way the impacts on Australian industry and on Australian manufacturing. How can you claim that you want to help manufacturing and how can you claim that you want to pursue reforms to ensure that the Australian economy is ready to be part of the global economy when you refuse to listen to and refuse to acknowledge the very real costs and decreasing competitiveness that industry and manufacturing will be hit with through these bills? It is really quite telling that, even in the objects of these bills, there is a failure to include a statement regarding international competitiveness. So it is not even on the agenda that these so-called reforms are aimed at making the Australian shipping industry more competitive.

These are ill-considered bills. They are being rushed through, and you have to ask yourself: why would the government be trying to rush them through? (*Time expired*)

Ms SMYTH (La Trobe) (13:01): I am very pleased to speak in this afternoon's debate on some significant reforms being made by this government after some considerable effort by the minister, who has done an excellent job in putting forward such a comprehensive package of reforms, all of which are well overdue. I stand to speak against the amendment, which would have the effect of deferring, for another critical period of time, action in a very important area both for the productivity of the industry and for its very survival.

The Shipping Reform (Tax Incentives) Bill 2012 and related bills before us today are geared at revitalising the Australian
shipping industry. We are invited by speakers opposite during the course of this debate to consider why these measures are being dealt with so promptly and why these measures are being dealt with in a seemingly—I believe I am quoting the member for Indi—'fragile industrial situation'. The reason for that is the same as the reason for so many of the reforms being undertaken by this government in the relatively short period of time which we have been in office. It is the simple fact that we experienced over a decade of policy inertia from the Howard government.

I have stood here on many occasions speaking about the significant reforms that the government are making after the Howard period of policy failure. It leads me to believe that all that was being done during the decade of the Howard government was that quite a lot of people were getting very experienced with Tetris, with playing with joysticks and with demonstrating their skills in online gaming. I simply cannot understand why so many areas of critical industry reform in so many areas of policy development are being left to this government to respond to after a period of inaction.

Despite the fact that we are in the middle of a once-in-a-generation resources boom, only half of one per cent of the trade generated by the mining industry is carried by Australian-flagged vessels. That is an astonishing figure. We know that over a decade Australia's fleet has declined from 55 to 21 ships with a mere four operating on international routes. For the largest island nation in the world that really is an extraordinary figure and requires the intervention of this government. While shipping carries around 99 per cent of Australia's trade by volume, and while Australia's shipping task comprises around 10 per cent of the world's trade carried by sea, our fleet is in decline.

We know that when John Howard came to office in 1996 Australia had 55 trading vessels shipping 3.2 million tonnes. By 2008 there were only 30 vessels remaining which shipped just 1.8 million tonnes. In an extraordinarily short-sighted move the coalition abandoned the capital grants assistance and accelerated depreciation in the PAYE rebate scheme. At the same time it tripled the number of trading permits to foreign-flag crews from fewer than 1,000 in 1999 to more than 3,000 around a decade later. The consequences for the industry of these moves was and is devastating. It really is an indication of just how short-sighted the coalition has been on the Australian shipping industry that, at precisely the same time it was cutting support to the industry, Germany, the UK, France, the Netherlands, Japan and South Korea were each embarking on comprehensive programs to rebuild their respective shipping industries. Those nations recognised the benefits in an economic sense, in a strategic sense and in environmental terms of a viable and robust shipping industry. Despite the fact that it was presiding over the economy of the largest island nation in the world, the Howard government made no meaningful attempts to reform the industry for our future.

We anticipate that trade in our ports is likely to triple during the next 20 years. It should be our own shipping industry which experiences the benefits of that increased trade. It should be our workforce that gets the benefit of jobs growth in a viable Australian shipping industry. All of this can only happen if the reforms in the bills before us are implemented and implemented now.

It is revealing to see the discourse of the Nationals leader today on the reforms before us. It is revealing to see the contributions of
other members, particularly the National Party, to this debate. I see that we have some members of the National Party in the House as I speak. It might be worth their reviewing the document that I have in my hands at the moment, which is the policy platform of the Nationals for 2011-12. Tellingly, shipping reforms are right up the back on page 65. It would be worthwhile for Nationals members to have a look at the second column on that page, which talks about more efficient shipping. It has a look at four key dot points and states:

The Nationals will: Introduce a tonnage tax to replace company tax on an opt-in basis, linked to mandatory training arrangements.

Let us have a look at some of the reforms that are in the bills before us, most notably some of the taxation reforms. We know that the government has consulted extensively with industry and with the tax office and that, as a result of those consultations, it has become apparent that a zero tax rate was a better option because not only does it prevent the need to create a new tax arrangement and not only does it mean that we will be a world leader in shipping tax arrangements but also—and tellingly—it reduces red tape. The Leader of the Nationals today spoke at length about his concerns that the reforms and the measures before us would lead to a substantial amount of red tape. It has been a couple of years now since I was in commercial practice, but I certainly recall that the tax acts of Australia constitute about a foot's worth of pages. I would have thought that reducing the tax rate to zero would have meant a significant cut to red tape and would have satisfied the Nationals and, indeed, the stated policy platform objective at dot point 1 on page 65 of the Nationals' platform—but perhaps not.

Point 2 of the Nationals' platform says that they will introduce a national system of training support under the supervision of the Australian Maritime Safety Authority to replace the existing state based distribution of funds. Let us have a look at what the government is doing to promote training and to ensure that we have a well supported workforce. A key element of the government's shipping reform package is workforce development, and it is in order to ensure the continued viability of the Australian shipping industry that we know we must attract, re-train and retain a skilled workforce for the industry. It is for that reason that in January of this year the Maritime Workforce Development Forum was established—so that the government would take on the advice and expertise of experienced people from industry, unions and the training sector. That forum is addressing areas that are central to building Australia's skill base and will include a workforce plan being developed for the medium term to address the issues, including the ageing workforce and immediate skill gaps.

It would seem that at least two points of the Nationals' platform have now been attended to or worked towards in the bills before us. Let us have a look at point 3 of their platform on more efficient shipping:

Examine ways to reduce the income tax disadvantage suffered by Australian seafarers operating outside Australian waters, compared with seafarers from other nations.

I have a swathe of reforms being put forward in the bills before us to deal with exactly that point, but apparently it has escaped the Nationals' notice. The reforms in the two tax related bills, as part of the five reforming bills before us today, deal with four matters—I have already mentioned a zero tax rate but have not mentioned the others—which are: accelerated depreciation arrangements; rollover relief for selected capital assets; tax exemptions for seafarers working overseas on qualifying vessels so
that we remove disincentives for companies employing Australians; and, finally, exemption from the payment of royalty-withholding tax for owners of vessels where the vessel is leased under a bareboat charter to an Australian company. That is quite a significant package of reforms put together in consultation with industry, developed by this government and contemplated, it seems, in the Nationals' platform document—though apparently they are not up to accepting it. I will leave a copy of this platform document here when I leave. I encourage members of the Nationals to be vigorous in coming over here and having a read of it.

The final point in the more efficient shipping section of the Nationals' platform document, right up the back, is to establish an Australian second shipping register. I simply say—

**Mr Robert:** Mr Deputy Speaker, I rise on a point of order on direct relevance. I do not see anything to do with the Nationals' shipping plan in the resumption of debate in the Shipping Reform (Tax Incentives) Bill 2012, nor do I see any reference to the Nationals' shipping platform within the articles of the bill. I ask that the member be directly relevant.

**The DEPUTY SPEAKER (Mr Lyons):** Thank you for the attempted advice. The member will be relevant.

**Ms SMYTH:** I am indeed pleased that it has been conceded that the Nationals' platform is utterly irrelevant to national shipping policy in this country. That was a courageous point of order well made.

As to the final point that I referred to—and I will not mention the particular document that I was reading from in deference to the preceding speaker—the policy reforms before us create an Australian International Shipping Register and require the master and chief engineer to be Australian residents, while the balance of the crew may be foreign residents paid at internationally competitive terms and conditions of employment.

It would seem that these reforms satisfy, in the main, 75 per cent of the Nationals' policy objectives and are well on the way to satisfying the remaining 25 per cent. Yet today the Leader of the Nationals is seeking to push these five important reforming bills off to the never-never. It is very disappointing to see that, because the issues surrounding Australia's shipping policy have been examined at length and in consultation with industry on several occasions; indeed, they were considered by the House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government in its final report in 2008. A regulatory impact statement has been prepared on the proposed reforms, and that has been made available. Ultimately it is not clear to any of us why the coalition, after a decade of inaction, is now seeking to defer meaningful, significant and revitalising reforms for our shipping industry for any reason other than, presumably, its own political ends.

These reforms mark the most significant and the most holistic reforms to Australian shipping since the early 1900s. They are long overdue. Australian shipping is at a critical point, and without the reforms before us we risk not only the considerable benefits that could flow to the industry from the mining boom but also the industry's continued viability. A failure to support an Australian shipping industry that can compete in the international marketplace is a lost national opportunity.

Our competitors in the global market are well ahead of us in fiscal incentives. They were well ahead of us during the Howard years, as I mentioned earlier. As a result, for
more than a decade there has been almost no meaningful investment in Australian ships. One of the consequences of this lack of investment is that the average age of the Australian fleet now sits at around 20 years in comparison to a global average of around 12 years. Inevitably that has detrimental consequences for the productivity of the Australian shipping industry, its efficiency—and we have certainly heard about more efficient shipping from the Nationals' platform document, but they seem to block it out—

Mr McCormack: No, please do. It's a great document.

Ms SMYTH: To the member for Riverina: I will certainly leave a copy of your platform here for you to read for the first time.

The DEPUTY SPEAKER: Direct your comments through the chair. The member for Riverina, you will get your chance.

Ms SMYTH: Inevitably this ageing fleet has very significant consequences for efficiency, productivity and the environmental performance of Australian vessels compared with more modern fleets. The reforms in the bills before us include significant measures to promote investment in Australian shipping through tax concessions, the variety of which I mentioned earlier. Without these, we will continue to lag behind world standards. Without a sufficiently modern fleet, we cannot in turn attract new recruits. The shipping industry already faces pressures that arise from an ageing workforce and, without the capacity to attract new recruits, we are likely to see it become an even less viable proposition than it currently is. Without being able to assure new recruits of continued work in the shipping industry, the pressures of an ageing workforce will only increase.

It is timely that the bills are before us today. The bills address a variety of measures from taxation to training opportunities to changes in licensing arrangements. They promote a viable shipping industry that will contribute to the broader Australian economy, they will facilitate the long-term growth of the Australian shipping industry, they will enhance the efficiency and the reliability of the Australian shipping industry as a part of our national transport system and they will maximise the use of Australian vessels. In short, these reforms are well overdue. It would be derelict of this parliament to defer them to any future period, and I encourage the House to support their adoption.

Mr McCormack (Riverina) (13:16): Typically, as with so much legislation rushed through this parliament, there has been insufficient time for stakeholders to comment about the bills being debated.

Those who could have, would have and—most importantly—should have had a say in Shipping Reform (Tax Incentives) Bill 2012, Shipping Registration Amendment (Australian International Shipping Register) Bill 2012, Coastal Trading (Revitalising Australian Shipping) Bill 2012, Coastal Trading (Revitalising Australian Shipping) (Consequential Amendments And Transitional Provisions) Bill 2012 and Tax Laws Amendment (Shipping Reform) Bill 2012 were given little time to respond despite the complexity and wide range of changes in the package.

The number of Australian-flagged vessels has declined by 34 to just 21 during the past decade. Only four now operate on international routes. This, as the member for La Trobe correctly pointed out, is an astonishing figure. She pointed out that it is an astonishing figure, and she is quite correct given the resources boom Australia is
presently enjoying. I am so pleased the said member is using her spare time to read the Nationals policy platform. I urge her to read on. There are many other outstanding issues and policy ideas in the document to which she referred that would and will make a great boost to this nation yearning for good government. A number of reforms were recommended when the House of Representatives Standing Committee on Regional Development and Local Government tabled a report into Australia's coastal shipping industry in 2008. That committee was headed by the member for Ballarat with the member for Hinkler as her deputy, and its report was entitled Rebuilding Australia's Coastal Shipping Industry. The following year the minister formed a shipping policy advisory group, and a discussion paper was published in December 2010 as a result of advice given. The minister then, in February 2011, set up three industry reference groups to investigate different aspects of legislative reform: taxation, skills and training, and regulatory change.

Last September the minister declared he would introduce a shipping reform package and broadly summarised its contents. When he did so, scant detailed information was provided to the industry on exactly what form the reforms would take. This is not an uncommon practice for this government. Only this morning the health industry in general and doctors in particular expressed concern about their readiness for the electronic health record system which this government rushed through this parliament and which will take effect in just five weeks.

Also today, the independent Murray-Darling Basin Authority, commissioned by the government, released to the states its basin plan, which retains the 2,750 gigalitres of surface water to be taken from agriculture and given to the environment.

The DEPUTY SPEAKER: I call the member for Riverina back to the amendment.

Mr McCORMACK: This government often talks of the number of bills passed in this difficult, hung parliament. But it is one thing to pass legislation—good legislation—and another to blindly force new laws through which are onerous on those they affect and which do little to benefit the nation.

Just before last Christmas, the minister released the exposure draft of the coastal trading bill for public comment. Serious shortfalls were identified in the bill's drafting through this consultation process which resulted in a further draft being released on 20 February. The four remaining bills which comprise this package were also released at that time. Despite the multifaceted and extensive changes in the package, stakeholders were given only until 5 March to provide feedback. This is not time enough and not good enough by this government. In spite of this the minister bulldozed through the package, with some further revisions, on 22 March. Now we are debating it, and it is imperative that we get this right because, as the Leader of the Nationals and shadow minister for infrastructure and transport pointed out earlier, Australia's shipping industry must play a more important role in our freight network.

My Riverina electorate is landlocked, but, because it is such a productive region contributing more than $5 billion annually—that is just the Murrumbidgee Irrigation Area, by the way—to the Australian economy, the nation's shipping industry is vital to our export capabilities and certainly those of the MIA.

Australia has the fourth largest shipping task in the world. Sea transport carries all but one per cent of Australia's international cargo by weight and about 75 per cent by
value. Domestically, ships carry about 25 per cent of our freight. With freight demands set to double by 2020 and to treble along the eastern seaboard over the same period, it is essential that shipping have a greater role in Australia's freight network. Shipping can move massive quantities of cargo across vast distances, reducing the number of trucks on already busy roads and relieving pressure on the rail network.

The five bills making up the shipping reform package are aimed at achieving a regulatory framework for coastal trading in Australia to boost growth in the number of Australian ships on our coast, enhancing the role of shipping as part of our national freight network and maximising the use of Australian flagged vessels. The package seeks to accomplish these objectives by bringing in a variety of financial incentives for Australian flagged ships, including company and income tax changes and hastening depreciation for ships, and by creating a second register of Australian ships to be known as the Australian International Shipping Register. This is available to ships which meet the eligibility criteria which includes the requirement to have two senior Australian officers on board. Also, the package abolishes part VI of the Navigation Act 1912 and thereby abolishes the current permit and licence system with a new three-tiered licence system.

The coalition referred these bills to the House Committee for Infrastructure and Communications and the Senate Committee for Economics for their consideration. The House committee was given inadequate opportunity to view the bills and assess the numerous submissions provided by various industry participants as to deficiencies in the bills. These bills, if passed, will have a major impact on Australia's coastal shipping industry.

The minister has called this reform of our shipping industry 'historic'. If it is so crucial and so necessary, why then was the House committee, supposedly acting with renewed transparency and due process in this new paradigm in which this parliament is supposed to be functioning, given time to have only a cursory glance at the package? This, on top of the fact that the Senate committee inquiry into the bills is not due to be tabled until June—long after debate in the House of Representatives. The lower house will not have the benefit of the Senate's advice before being expected to vote on the bills before us, and that is unacceptable. Ultimately, the value of this legislation is whether it will meet its objectives. Will the bills before the House re-energise the Australian shipping industry? Will the bills before the House lead to a substantial increase in the number of Australian flagged vessels operating on our coast?

The opposition spokesman on Infrastructure and Transport, who has more experience on these matters than anyone in this place, remains unconvinced.

Mr S Jones interjecting—

The DEPUTY SPEAKER: The member for Throsby, it is your turn next.

Mr McCormack: I hear the member for Throsby crying out, but even he would agree about Warren Truss's absolute experience in this field.

The coalition members on the House committee for Infrastructure and Communications felt the same as the opposition spokesman. Significantly, industry participants harbour concerns about these bills. They need to be listened to and they have not been. They have not been given enough time. There are fears that the Australian shipping industry could deteriorate to such an extent that our maritime cluster—the associated industries
which rely on coastal shipping—will reach the point of no return.

Tom Pinder, one of the principals of Australian Coastal Shipping Pty Ltd—a wholly independent company whose prime objective is to service the needs of those companies and individuals with a requirement to transport cargo in the most economic fashion both within Australia and externally—made some pertinent remarks about these bills to the House committee. He said that a continuation down the path of a one-size-fits-all policy would eventually result in all of the current east-west freight task being diverted to what he termed the 'inadequate infrastructure of road and rail' with 'hugely increased costs and a totally detrimental effect on the carbon footprint of the country'. I know that the member for Throsby would not want that. For a government which has pinned its flag to the mast of a carbon reduced economy, Mr Pinder's warning needs to be heeded.

One thing for sure is that industry submissions to both the House and Senate inquiries argue that the new licensing scheme will increase the regulatory burden on the shipping industry. More bureaucracy is not an incentive for any industry, particularly for one in decline. The prospect of cheap imports replacing Australian manufacturing and industry is deeply concerning. Federal Labor seems intent on increasing the costs to manufacturing and industry to such an extent that it is no longer economically viable for some industries to continue. In what sort of country are we living when it is cheaper to ship sugar from Thailand than around the Queensland coast?

Mr Christensen: Shame!

Mr McCormack: I know that the member for Dawson would be extremely concerned about that. When it is less expensive to ship cement from China than from port to port? What does this say to our home-grown, proud Aussie manufacturing industry providing local jobs for local people? Then again, after the recent revelations that the government has approved a scheme to allow mining magnate Gina Rinehart to bring in 1,700 overseas guest workers for her Pilbara iron ore project, without making proper attempts to find local workers first, why should anyone really be surprised?

The government's regulatory impact statement acknowledges that freight prices might go up under this legislation before the House but ignores the fact that there are alternative supplies overseas which can replace our local industries and, disastrously, the jobs which go with them. Many customers have sought more information on the financial effects of the package on the cost of moving freight. Several submissions to the House and Senate inquiries demanded that a Productivity Commission inquiry be held to determine what impact this complex regulatory change will have on the Australian coastal shipping industry, the cost of freight and the costs to coastal shipping customers. The coalition supports this move, particularly in light of the abridged House committee inquiry which was held.

We would also ask that the Productivity Commission look into the implications on the cruise industry, because what this means to our tourism industry is also vitally important to consider. It is often forgotten that tourism is subject to the same requirements as the coastal cargo trade, and its concerns have been largely overlooked in the reform agenda. The coalition is committed to the Australian coastal shipping industry and agrees that it is important that it be revitalised. We do not, however, believe this package will achieve that aim and for this reason move the amendments to the
package to improve the wording and the policy.

Mr STEPHEN JONES (Throsby) (13:28): It is a great pleasure to be speaking on the Shipping Reform (Tax Incentives) Bill 2012 and to have sat in on the last five or ten minutes of the member for Riverina, who was voicing his party's concerns on the introduction of this legislation. I must admit I am not surprised, because, after 11 years in government, their total contribution to shipping policy was a crippling national strike. Their side of politics brought in the dogs—blokes in balaclavas—who drove out the workers and drove our country into industrial mayhem for literally months. I am not surprised at all that their contribution to this debate is as vacuous as their 11 years in government were when it came to lasting reform of the shipping industry.

We do need a strong shipping industry, and our shipping industry needs revitalisation and reform. The package of legislation before the House today goes part way to delivering on that reform. The legislation is the product of a long and thorough process of consultation and review, a process that might have escaped the member for Riverina and the member for Dawson and many others on their side of the House. In fact, I am not surprised, as the Deputy Leader of the Opposition and the responsible minister seems to have gone to sleep at the wheel. When it comes to proposals concerning infrastructure, we have not heard one question in the House which reflects his general portfolio responsibility.

Mr McCormack interjecting—

Mr STEPHEN JONES: The member for Riverina does his party proud. I know it is a tough job defending your shadow minister, but you have done an admirable job.

The consultation process which they have missed on that side of the House has involved representatives from across government, with Treasury chairing the fiscal group. Exposure drafts of all of the bills were released for public comment, and a further roundtable was held in February to enable industry to work through the details with officials. The government is hardly rushing these bills through the parliament, as those opposite would pretend. There would be no Australian ships left by the time the opposition ever decided what reform actually should entail. In fact, their contribution to policy seems to be, 'Let's have another review.' Maybe that is their plan. Why else would they oppose a zero tax rate and a strong Australian shipping industry? It just does not make sense.

The shipping industry has barely survived a decade of policy inertia by the previous coalition government. These measures represent critical industry reform and policy development. As an island nation, shipping has always played an important part in our nation's history and has always played an important part of the economy in my electorate of Throsby. Australia is the fourth largest shipping task in the world. Today around $200 billion worth of cargo is moved annually. However, today there are only 22 Australian registered major trading ships plying our waters. That is down from 55 in 1995. Of the remaining ships, only four—and they are all gas tankers—are dedicated solely to international trade. In the past decade, the Australian fleet has gone from 55 ships down to 21, with only three operating on international routes. In a country where over 99 per cent of our trade is moved by ships, there will soon, if we do not act, be no fleet to revitalise. That is why we need to act now, or we will not have a shipping industry left at all.

Just fifteen years ago the story was different. Then, the Australian merchant fleet comprised around 88 vessels and employed
around 5,500 officers and crew. While international competition has taken its toll on this industry, it is also true that government policy settings have not been good. That is why this package of legislation before the House today is good news for the Australian shipping industry. What we are doing is creating an economic and regulatory environment that will revitalise and sustain growth and productivity in our shipping industry. The reform package is in the best interests of our economy, our environment and our security.

I know this because I represent an electorate that takes in Port Kembla, a port which has operated continuously since 1883. The reform package is great news for electorates like mine. Recognised as of the Illawarra's key economic and commercial assets, Port Kembla directly and indirectly sustains over 3,500 jobs and contributes close to $420 million annually to the regional economy. Port Kembla recently underwent a major expansion. It diversified its trade base to include general and break-bulk cargoes, containers and motor vehicle imports. The expansion development included the construction of three new berths and the development of more than 50 hectares of land. This has allowed the port to become the largest vehicle-importing hub in Australia. Port Kembla is now also the principal grain export port for producers in southern and south-western New South Wales, including producers who come from the member for Riverina's electorate. Port Kembla is one of three major ports in the state of New South Wales. The diverse commodity base of the port today reflects the growth of the region and its capacity to service the growing south-western Sydney market and parts of the New South Wales inland.

The package of five bills today includes important reforms which will have a direct bearing on the economy of my electorate in the Illawarra. The government's Stronger Shipping for a Stronger Economy legislative package delivers on our 2010 election commitment to revitalise the Australian shipping industry. The first bill in the package, the Shipping Reform (Tax Incentives) Bill 2012, contains the taxation elements of the reform package. These are aimed at revitalising the industry by making it more globally competitive and attractive to investors, by providing a zero tax rate for Australian shipping companies. That is right: a zero tax rate for Australian shipping companies. In addition to that, it provides accelerated depreciation of vessels via a cap of 10 years to the effective life of those vessels; rollover relief from income tax on the sale of a vessel; an employer refundable tax offset in relation to seafarers; and an exemption from royalty withholding tax for payments made for the lease of shipping vessels.

The second bill is the Shipping Registration Amendment (Australian International Shipping Register) Bill 2012. This goes to the creation of a register through the shipping registration amendment. This will enable Australian shipping companies to compete on a level playing field internationally, by removing the cost disadvantages experienced by Australian registered ships when competing in the global market. Key elements of the register go to a mixed manning register—that is, internationally registered vessels must employ a minimum of two Australian crew, preferably the master and the chief engineer; a provision for international employment terms and conditions, which includes workers' compensation, which ensure that workers on these vessels will receive internationally competitive rates of pay and conditions, consistent with the Maritime Labour Convention and other international labour treaties; in addition,
access to tax exemption and other tax incentives. The same environmental, safety, and occupational health and safety standards will apply to AISR vessels as to first register vessels. Finally, a seafarers bargaining unit must be formed for the purposes of negotiating terms and conditions for seafarers on international voyages, and the bill provides that those collective agreements must form part of the seafarers' individual work agreements. These arrangements strike the right balance between competing on a level playing field internationally and ensuring Australia's domestic maritime industry can grow.

The third bill, the Coastal Trading (Revitalising Australian Shipping) Bill 2012, will repeal the current coastal trading arrangements in part VI of the Navigation Act 1912 and implement a new three-tier licensing system. The new regime will balance support for Australian shipping while establishing clear boundaries for the role of foreign ships in the coastal trade. The new regime will not result in the 'closing of the coast'. Australia has one of the most liberal domestic shipping regimes, with 30 per cent of coastal cargos being carried on foreign vessels—that is, 470 permit ships at present.

The fourth bill is the Coastal Trading (Revitalising Australian Shipping) (Consequential Amendments and Transitional Provisions) Bill 2012. The transitional provisions set out in this bill are necessary to enable a smooth transition from the old regulatory regime to the new framework. This will ensure that the supply chain will continue to operate as the system is being bedded down.

The fifth and final bill is the Tax Laws Amendment (Shipping Reform) Bill 2012, which provides a number of tax incentives designed to stimulate investment in Australian shipping and encourage Australian ownership of ships and ship operations. These incentives include: an income tax exemption for ship operators, which is a zero tax rate for Australian shipping companies; the provision for accelerated depreciation of vessels via a cap of 10 years, to the effective life of those vessels, which is a reduction from 10 years, halving that rate; a rollover relief from income tax on the sale of a vessel; an employer refundable tax offset for seafarers; and an exemption from royalty withholding tax for payments made for the lease of shipping vessels.

Taken together, these are important bills that will go a long way to the revitalisation of the Australian shipping industry in Australia. As you can see, and as just about every speaker who has contributed to this debate has made the observation, with over 99 per cent of our trade task being reliant on international shipping and being one of the most shipping-dependent nations on earth—being an island nation—and very trade reliant, it is absolutely critical that we have a vital and revitalised shipping industry in this country.

After 11 years of neglect by those opposite I congratulate the minister for having the fortitude to bring this reform process into the House. I congratulate him for having undertaken extensive consultations with industry and for ensuring that all the key stakeholders have been involved in the preparation of the reports, the consultation process, and have had access to the exposure draft of this legislation and have had their input to the exposure legislation considered. I congratulate him for ensuring that, at the end of that process, we have five excellent bills to bring before the House, which will go a long way to ensure that we have a vital shipping industry now and into the future. That will be a good
thing: a good thing for all Australians and a good thing for the port at Port Kembla in my electorate of Throsby—hopefully employing more Australian seafarers and ensuring it has a vital future and continues to contribute enormously to the future of the economy in the Illawarra. I commend the legislation to the House.

Mr CHRISTENSEN (Dawson) (13:41): I am glad the member for Throsby is pleased with what he can do for his port at Port Kembla. But for the cane farmers in North Queensland, that I represent, this bill is an absolute affront. In rising to address the Shipping Reform (Tax Incentives) Bill 2012—which has been very rushed in this place—and all of the associated bills, let me start by pointing out some of the differences between what is planned and what actually happens in this place. I do this because what the government says and what it does are often completely different things. Doing the opposite of what it says it will do is not always a deliberate strategy of this government. We know they sometimes have a genuine desire, I do admit, to achieve better outcomes for all Australians. I have no doubt they sometimes have good intentions, but through incompetence, poor judgment, rushing a decision—like they are in this case—or just plain horse-trading, often with the Greens or with the unions, they end up shooting themselves in the foot.

In this bill, they may well have had some good intentions to start with. It is obviously designed to look after the best interests of the Maritime Union of Australia and that is to be expected from a Labor government. But I do not think the government set out with the intention of inflicting serious harm on the industries that keep this nation afloat. Unfortunately, the Labor government just does not care about any harm it inflicts on any industry. It is all good fun until someone has an eye out. When the time comes that the regulations in this bill start costing jobs—which they will—and there are simply not enough people to keep paying Labor's taxes, they will come crying to this place, pointing the finger at everyone else rather than themselves.

There are a few things these bills will do—and revitalising the Australian shipping industry is certainly not one of them. This amendment will add another layer of burden, of red tape, over the entire shipping industry. I can assure you, adding red tape is not going to revitalise anything. In just over 4½ years Labor governments, under the former Prime Minister the member for Griffith and now the current Prime Minister, have introduced more than 18,000 regulations—18,000 pieces of red tape. That equates to about 11 new regulations every single day and here is another raft of them with these bills. No wonder productivity is grinding to a halt.

Right now, there is a system in place where non-Australian registered ships are granted permits to operate single and continuous voyages in Australian coastal waters. Under this new scheme, legislation requires any foreign vessels seeking a temporary licence to carry out a minimum of five voyages in the year. Well, up to 30 per cent of domestic coastal shipping is made up of foreign vessels operating on single and continual voyage permits. So this regulation is going to have quite an impact. In today's world there are global shipping companies working throughout all the world's ports. Ships are the links between exporters and importers, in many cases, and between supply and demand. They go to wherever the supply is and they deliver to wherever the demand is. If the government excludes market suppliers who wish to carry out a single coastal voyage, what the government is doing is effectively reducing competition. Is any competitive legislation going to revitalise the Australian shipping industry? I
would say, hardly—it certainly will not. In fact, the reduction in competition was identified as a significant source of cost increase in a Deloitte Access Economics report that was prepared on the likely impact.

The DEPUTY SPEAKER (Hon. BC Scott): Order! The debate is interrupted in accordance with standing order 43. The member for Dawson will have leave to continue speaking when the debate is resumed.

STATEMENTS BY MEMBERS

Charity Golf Day

Mr MATHESON (Macarthur) (13:45): On Friday I took part in the Wollondilly Shire Council's Mayoral Charity Golf Day in Picton. The golf day raised a considerable amount of money, which will be used to buy iPads for children to use during their cancer treatment at Campbelltown Hospital, through the ambulatory care service. Children are admitted to the paediatric unit when they have problems such as high temperatures and infections. Because they cannot interact with other patients in the unit they are often isolated in a room for up to four or five days. The iPads will be allocated to the patients during their time in hospital to help occupy their time and provide a distraction from their medical treatment.

In recent years the mayor's charity golf day has supported many different charities in my electorate. These include The Right Start, Wollondilly Youth Hub, the Kids of Macarthur Health Foundation, the Heart Foundation and U-Turn the Wheel. Locals can participate in the day by entering a team to play golf, donating a prize for the auction, sponsoring a hole or making a donation. I would like to publicly thank the sponsors of this year's golf day: Balloon Aloft, Benedict Industries, Campbelltown City Council, Complete Staff Solutions, Dee Jays Hair and Beauty, Elders Real Estate, Funnells Electrical Contracting, Hogs Breath Cafe Campbelltown, Hones La Hood Lawyers, IMB Building Society, Macarthur BEC, Macarthur Chronicle, the Macarthur Credit Union, Paolo's Restaurant, Pepper Tree Ridge, Picton Karting Track, R. Coffee, Southside Fire Safety, Supa IGA, TRN Group, Wirrimbirra Sanctuary, White Waratah Retreat, Wollondilly Anglican College and 2MCR. Thanks to all of these local businesses and to Wollondilly council and its mayor, Col Mitchell, for organising such a great event to support local children living with cancer in the Macarthur region. I would also like to acknowledge the state member for Wollondilly, Jai Rowell, for his attendance on the day.

International Day of United Nations Peacekeepers

Ms PARKE (Fremantle) (13:46): I rise to note that tomorrow, 29 May, is the International Day of United Nations Peacekeepers. On this day at the UN Headquarters in New York, the Secretary-General conducts a wreath-laying ceremony in honour of all peacekeepers who have lost their lives while serving under the UN flag. Since the first UN peacekeeping mission was established in 1948 around 3,000 military, police and civilian personnel have lost their lives while serving under the UN flag. Some of those peacekeepers who died on duty in this decade were my friends and colleagues with whom I served in Kosovo and Gaza.

For all the scorn that is sometimes directed toward the UN and its dedicated and courageous staff it should be remembered that it is the UN member states themselves, particularly the members of the Security Council, which determine the priorities, mandates and resources for UN activities. In light of the appalling atrocities in Syria, I hope the Security Council, and indeed the
whole international community, will now take appropriate action to protect civilians in accordance with the Responsibility to Protect doctrine. The Syrian people are in desperate need of the international community's assistance and we cannot have them being left to a fate like Rwanda or Srebrenica.

Finally, as the chair of Australia's UN Parliamentary Group I have the pleasure today of welcoming to the parliament Mr Filippo Grandi, the Commissioner-General of UNRWA, the UN agency responsible for Palestinian refugees and where I worked for 2½ years while based in Gaza a decade ago. I would particularly like to pay tribute to all the men and women who have served and continue to serve in the UN and in UNRWA for their high level of professionalism, dedication and courage.

Brookfield Show

Mrs PRENTICE (Ryan) (13:48): I recently enjoyed attending the annual Brookfield Show—a wonderful event that brings a whole community together. At the official opening on Saturday evening I had the honour of announcing the winner of the 2012 Brookfield and District Community Award at this year's Brookfield Show, Ashley Brown. The Brown family have a long and proud association with the Brookfield community and the Brookfield Show Society. Three generations of Ashley's family have been at the core of the Kenmore Garden Club and the Brookfield Show Society horticultural pavilion. Ashley's parents, the late Oliver Brown, and Bernice, established the club in 1974. The following year they ran the first horticulture competition at the Brookfield Show. Ashley has been involved with the show society ever since and has been running the competition as chief steward for the past 12 years. His son Jamie is now part of the show family and always assists his father in running one of the most well-loved and patronised sections at the Brookfield Show. I extend my congratulations to Ashley Brown on receiving this well-deserved award. I would also like to take this opportunity to recognise the army of volunteers involved with the Brookfield Show Society. As always, their tireless work helped to make this year's show a resounding success.

Sparks and Spanners Program

Mr LYONS (Bass) (13:49): I rise today to congratulate all involved in the Sparks and Spanners automotive program in my electorate of Bass. I recently had the pleasure of launching the Sparks and Spanners automotive program at Brooks High School and was thrilled to see the level of cooperation between the school participants and the automotive industry that has supported the participants right through this program. The local automotive industry is supporting the 12 program participants by providing them with on-the-job training in the workplace, which forms a valuable part of job seekers' education and eventual entry into the workforce.

Sparks and Spanners is a wonderful program for all of the participants involved. The Australian government has provided over $34,000 through the Local Employment Coordinator Flexible Funding Pool to support the participants with their training. Brooks High School has been very supportive of the program, leasing the automotive training premises. I would like to wish all the participants all the best for their training and their future careers. We certainly need well-trained people in the automotive industry, and I congratulate both Brooks High School and the local automotive industry for their support for the participants involved in this fantastic program.
Pacific Island Workers Scheme
Mr O’DOWD (Flynn) (13:50): Today I would like to talk about the Pacific Island Workers Scheme. It is in my area, especially around Emerald and the 2PH farms where they employ up to 500 workers per year. It is a mix of Southern Pacific Islanders, Tongans, Fijians and so forth, mixed in with backpackers and, of course, Australian workers. Without these workers from the Pacific Islands the work just simply would not get done. During the floods of 2010 the Pacific Island workers really bent their backs and got the citrus trees that were covered and buried in mud upright. These were producing fruit by the end of the year. This was a fantastic result for the 2PH farms.

The Pacific Island scheme is also working quite well in places like Gayndah and Mundubbera. Of course you always get those contentious issues where Australians say they cannot get work, but we believe there needs to be a balance between backpacker workers, Fijian workers, Tongan workers and the local Australians. In fact, the Biloela meatworks have always said that there would be no foreign workers in the meatworks while there was an Australian without work. So that is how it is working, and it is working very well.

Cullen, Ms Ningali
Ms BRODTMANN (Canberra) (13:52): In this National Reconciliation Week and after National Sorry day on Saturday, it is with great sadness that I speak today about the extraordinary life of Ningali Audrey Cullen who passed away on 10 May and whose deeply moving funeral I attended a week ago. Ningali was a member of the Canberra community and a member of the stolen generations. Born on traditional lands in South Australia, Ningali was forcibly removed at the age of four. She bravely used her experiences to raise awareness about the plight of the stolen generations. She was a survivor, an advocate, a mother, a leader and a staunch republican.

After the first Sorry Day in 1998, about 80 members of the stolen generations met in Sydney to discuss what to do next. It was Ningali who said:

A million people have said sorry. At last, many non-Indigenous Australians understand what we have endured. Now we can move on to healing.

It was Ningali who proposed that Sorry Day become the Day of Healing. She understood the power of healing and she stood up to government when they told her to do it their way. One of her many roles was Co-Chair of the National Sorry Day Committee for six years.

Ningali is survived by her loving husband, Derek, and her children Ali, Lisa and Patrick. She leaves our world a much better place. She was a strong and proud woman who leaves a strong and proud legacy. Vale, Ningali Audrey Cullen.

Murray Darling Basin
Mr McCORMACK (Riverina) (13:53): Twelve thousand people who turned out at a community meeting at Griffith last December and just under 12,000 submissions from right across Australia do not seem to matter much to the Murray-Darling Basin Authority. The MDBA today released to the states its basin plan, which releases an outrageous amount of surface water to be taken from productive agriculture and given to the environment. Nothing in that respect has changed from last year’s draft. The plan will have no better science in it and little more than the original guide which caused so much anger and uncertainty when it was released in October 2010.

Now is the time for the Prime Minister to show what she meant when she addressed the Global Foundation Summit in Melbourne on 3 May when she said:
Australia must be ready to act as the food bowl of Asia—not only a mineral resources quarry—to meet the needs of a growing region.

I agree, and so do all of the hardworking Riverina farming families I represent.

The Prime Minister continued:

It would involve building our food-processing industry so that it can supply Asia's growing consumer markets and developing the research, technologies and logistics that strengthen irrigation, grow higher-yield crops and improve safety.

Hear, hear! I thoroughly agree that we need to strengthen irrigation. But, Prime Minister, we cannot do that if we take the equivalent of more than five Sydney Harbours every year from farmers and give it to unsubstantiated environmental needs. That is not based on good science or good economics and it will not help our ability to feed ourselves and others into the future.

Riverina communities will not cop a bad basin plan and nor should they have to. I call on the government to start rolling out more water infrastructure money, look at options for more dams and let us all do what we can to best use our water and help farmers to grow food. (Time expired)

Ipswich Performance Space

Mr NEUMANN (Blair) (13:55): Since the Baptist congregation at the Top of Town in Brisbane Street in Ipswich relocated some years ago to Brassall, the old Ipswich Baptist Church site, owned by the Ipswich City Council and situated next to the 24/7 McDonald's restaurant which was opened in December 2009, has remained dormant. The Ipswich City Council, with federal government funding of $1.5 million that I secured from the federal Labor government, is building a state-of-the-art performance space especially for organisations and working with young people in the Ipswich area. It is an important venue because the

Top of Town in Brisbane Street, Ipswich, is home to some of the oldest and most historic buildings in Ipswich. It has been transformed into a place of coffeehouses and specialty shops, and there are great clothing stores and furniture stores as well.

This state-of-the-art performing space will be opened in September or October this year. The focus will be on the arts and performances by and for young people, and the council is open to ideas and suggestions from the local community.

A good thing about it is that it is being built by an Ipswich builder, TP Turner. I had a lot to do with that firm when I was a lawyer many years ago. The project has created about 80 additional jobs for local workers and injected more than $1 million a year into the area in the form of staff wages. It will be good for local traders in the Top of Town. It is a great initiative by this federal Labor government, and I am pleased to have delivered this money for the people of Ipswich.

Carbon Pricing

Mr CHESTER (Gippsland) (13:56): I have a letter with me today that was sent to me last week from a worker at Energy Brix in my electorate. The letter writer is Angelo Gaudiano and he sent the letter also to Minister Ferguson. He said:

Since the formation of Energy Brix Australia in 1993 we have worked hard to survive … The company and its employees have endured many hurdles and had turned a loss making business into a profit making business with a future.

… … …

Once the carbon tax comes into effect at the start of July, the business will be unviable. It will have to shut. Over 200 workers will lose their jobs and the community will be greatly affected with families leaving the area.

… … …
The Prime Minister promised that no one would lose their jobs or be disadvantaged by the carbon tax.

Angelo Gaudiano continues:
I worry for the future of my family and I fear for the future of the community that I live in and have invested in as I know it is going to suffer greatly in the very near future and take many years to recover from the effects that this unpopular carbon tax legislation will bring.

... ... ...

I am very frustrated and scared about my future. I ask all members opposite again: when will one of you, just one of you, stand up for blue-collar workers like Angelo Gaudiano and demand that this Prime Minister abandon the contract-for-closure scheme which is a disaster for regional jobs. On behalf of Angelo and his workmates, I appeal to members of the Labor Party to finally show some courage and reject the plan to shut down power stations in my community. Mr Deputy Speaker Scott, I seek leave to table the letter from Angelo Gaudiano.

Leave granted.

Small Business

Mrs D'ATH (Petrie) (13:58): I thank the Minister for Small Business, the Hon. Brendan O'Connor, who recently visited my electorate to meet with small business, and I acknowledge the Redcliffe City Chamber of Commerce who organised a meeting of local businesses to come together and talk about what their issues were and about the importance of small business for the electorate of Petrie and to hear from the government what we are doing for small business. It was great to have so many small businesses come along to that event and talk to us about important issues of process and the problems they are facing as well as to acknowledge the great work with the initiatives that have come out of this budget and other initiatives that this government has brought in since coming into power in 2007. Not least is what we are doing for households. That is supporting business. Giving households financial assistance means money going into household pockets that people are going to be able to spend in local businesses in my electorate and electorates all across this country. Those businesses really appreciated the opportunity to have a one-on-one discussion with the Minister for Small Business and to talk about their concerns for the future and the importance of skilling and training.

Debate interrupted.

The DEPUTY SPEAKER (Ms AE Burke): Order! In accordance with standing order 43, the time for members' statements has concluded.

QUESTIONS WITHOUT NOTICE

Manufacturing

Mr ABBOTT (Warringah—Leader of the Opposition) (14:00): My question is to the Prime Minister. I refer her to the announcement today that more than 2,000 jobs are to be cut at air-conditioning and refrigeration company Hastie on top of thousands of earlier job losses in manufacturing industry, and I ask: isn't this the worst possible time to be hitting manufacturing with the world's biggest carbon tax?

Ms GILLARD (Lalor—Prime Minister) (14:00): Once again we see another disgraceful attempt by the Leader of the Opposition to rejoice in job losses and to try and join those job losses to his fear campaign about a price on carbon—a disgraceful attempt to try to make working people and their futures and their families grist to his political mill. The truth about this situation is as follows. I start by saying that of course I am very concerned whenever I hear about a
job loss. I am always very concerned for the working person involved and for their family, which is why as a government we made sure during the global financial crisis that we supported jobs—we understood their importance to working people. With this group—the Hastie Group—which has entered voluntary administration, it is a complex situation.

The government is working closely with the insolvency practitioners involved to ensure timely assistance to the employees as the situation evolves. I note that the administrators are working with project managers to see if blue-collar employees can be transferred or made available to head contractors to complete projects currently underway. But all workers who are made redundant will be entitled to tailored support from Job Services Australia and we will ensure full provision of government support, including access to the General Employee Entitlements and Redundancy Scheme for eligible employees in the appropriate circumstances. As the Leader of the Opposition well knows, the explanation for this circumstance is not carbon pricing, and he should not be trying to pretend to these working people—or, indeed, to any other Australian—that it is.

**Carbon Pricing**

Mr NEUMANN (Blair) (14:02): My question is to the Prime Minister. How is the government helping pensioners and families make ends meet as part of the budget and carbon price household assistance?

Ms GILLARD (Lalor—Prime Minister) (14:02): I thank the member for his question, and I certainly thank him for all the work he does out in his community addressing local issues. I have had the opportunity to visit with him in his electorate, where people are still engaged in flood recovery, and I want to thank him for his ongoing advocacy for his local community.

From today, over 3.2 million pensioners will receive more money into their bank accounts to help them make ends meet—3.2 million pensioners who will see more money in their bank accounts from today. Across Australia, over $700 million in household assistance will be going out to pensioners before carbon pricing starts on 1 July. Full and part pensioners will receive upfront household assistance payments of $250 for singles and $380 for couples, and from March next year pensioners will receive ongoing assistance that keeps up with the cost of living. Across these pensioner households we have taken care to ensure that pensioners receive compensation so that they come out, many of them, in front—because we know that pensioner budgets are tight. For pensioners, 93 per cent of households will be at least 20 per cent better off as a result of these payments.

This is part of a set of arrangements to benefit families around the country. On average, $9.90 in additional price impacts will be experienced, but that will be matched by $10.10 in assistance, with six out of 10 households fully assisted with the cost-of-living impacts and nine out of 10 receiving payments in some form. This is all part of ensuring that a major reform like seizing a clean energy future is done in a Labor way. At the same time we will also be assisting people with their other cost-of-living pressures, including through the schoolkids bonus, which will provide cost-of-living relief for 1.3 million families.

I am proud that on this side of the parliament, understanding the needs of families around the country and the needs of pensioners, we are providing direct assistance and that 3.2 million pensioners will see it in their bank accounts from today.
Enterprise Migration Agreements

Ms GAMBARO (Brisbane) (14:05): My question is to the Minister for Immigration and Citizenship. I refer to the government's announcement on Friday that a deal has been struck with Gina Rinehart through an enterprise migration agreement to employ 1,700 overseas workers at the Roy Hill project in Western Australia. Why is this arrangement vital if this $10 billion investment is to go ahead?

Mr BOWEN (McMahon—Minister for Immigration and Citizenship) (14:06): I am surprised to get a Dorothy Dix from my friend the member for Brisbane, but I do thank her for it. This project is vital for Australia's future, and this agreement is vital for delivering it. The money needed to be raised for this project is $9.5 billion. That needs to be raised on international markets, and that makes this the biggest single debt-raising to occur on the planet this year. To get that finance, Roy Hill needs to reassure its investors that it is able to complete the project on time and on budget. Because the very significant expansion in the resources sector in Australia as we speak is so big—which goes to show the myths that are peddled by the Leader of the Opposition about the resource sector and the impact of the carbon price and the minerals resource rent tax—Skills Australia estimates that an additional 89,000 workers will be required in the mining sector by 2016 compared to November 2010.

It is important that this agreement delivers on those jobs. There have been a lot of myths perpetrated over the last few days. Let us be very clear about this: 6,700 jobs are being delivered to Australians because of the actions of this government, because this government has entered into this agreement. That is something I am justly proud of.

Honourable members interjecting—

The DEPUTY SPEAKER (Ms AE Burke): Order! The member for Canning is warned. I might show the member for North Sydney the door, if he is not careful.

Pensions and Benefits

Mr STEPHEN JONES (Throsby) (14:08): My question is to the Minister for Families, Community Services, Indigenous Affairs and the Minister for Disabilities Reform. Minister, how is the government rolling out its household assistance package to pensioners and families and what would be the impact of rolling it back?

Opposition members interjecting—

The DEPUTY SPEAKER: Order! The member for Dawson is warned.

Ms MACKLIN (Jagajaga—Minister for Families, Community Services and Indigenous Affairs and Minister for Disability Reform) (14:08): I thank the member for Throsby very much for his question, because of the hard work he does representing pensioners in the Illawarra. Like him we believe that after a lifetime of work pensioners deserve to get that extra support to make sure that they can make ends meet. That is why this government, this side of the parliament, delivered the biggest increase to the pension in 100 years, opposed by those opposite and by the cabinet that Leader of the Opposition was a member of. This government actually delivered that very significant increase to the pension which, since 2009, has meant that pensioners are getting around $150 extra a fortnight—a very, very significant achievement by this government.

We also want to make sure that it is the big polluters that pay for their pollution, not pensioners. That is why, starting from today, pensioners are receiving extra money paid straight into their bank account. It will come over the next fortnight, generally on the pension day that people have. It will mean
that single pensioners will be receiving an extra $250 and couple pensioners $380 per couple combined. From March next year this will become a permanent payment, delivered either fortnightly or quarterly as part of pensioners' usual payments.

As the Prime Minister indicated, this is a benefit that is going to 3.2 million pensioners. We know that this government wants to make sure that pensioners are helped. It is this Leader of the Opposition that is going to claw that money back, and all it is for those opposite is a big joke. You think taking money off pensioners to fill your $70 billion black hole is a big joke. Pensioners know that you are clawing it off them and you are going to do it as fast as you can.

Mr STEPHEN JONES (Throsby) (14:11): I have a supplementary question, Madam Deputy Speaker. Minister, you have outlined to the House the government's support for pensioners. Please explain how this will help pensioners in the Illawarra and Southern Highlands of New South Wales.

Ms MACKLIN (Jagajaga—Minister for Families, Community Services and Indigenous Affairs and Minister for Disability Reform) (14:11): Once again, I thank the member for Throsby for his question. First, I would like to let him and other members from New South Wales know there will be one million pensioners in New South Wales that are going to benefit from this over the next fortnight. One million pensioners will be getting extra money paid into their bank accounts. In the electorate of Throsby alone there will be 29,000 pensioners benefiting from this measure, making sure that they get this extra help. In the neighbouring electorate of Gilmore more than 30,000 pensioners will receive this extra support. I see the member for Gilmore welcoming this money on behalf of her pensioners. I hope she will let every single one of those 30,000 pensioners know that this Leader of the Opposition is going to claw back that money from each and every one of the 30,000 pensioners in the electorate of Gilmore; they are going to lose all of that money because of this Leader of the Opposition.

Enterprise Migration Agreements

Mr MORRISON (Cook) (14:12): My question is to the Minister for Immigration and Citizenship. When did the minister first inform the Prime Minister or her office that a decision with respect to the enterprise migration agreement for the Roy Hill project was imminent?

Mr BOWEN (McMahon—Minister for Immigration and Citizenship) (14:13): There was, of course, substantial consultation between my office and other ministerial offices and a detailed brief was provided to the Prime Minister's office early in the week of 21 May.

Mr MORRISON (Cook) (14:13): Madam Deputy Speaker, I have a supplementary question. Given the answer the minister has just given, are reports correct that he did not inform the Prime Minister or her office that this deal had been struck until she had returned from Chicago last Wednesday?

Mr BOWEN (McMahon—Minister for Immigration and Citizenship) (14:13): I refer to the answer I provided a few moments ago. The arrangement with Roy Hill was not struck until later that week. The detailed brief was provided to the Prime Minister's office early in the week of 21 May.

The DEPUTY SPEAKER: I am watching the member for Mayo, for future reference.
Mr BANDT (Melbourne) (14:13): My question is to the Minister for Immigration and Citizenship. Tens of thousands of jobs have been lost in south-eastern states in recent months, especially in manufacturing, due in large part to pressures from the mining boom, like the high Australian dollar. In my electorate there are many people who have lived in Australia for years and now call this country home. Many of them are desperately seeking meaningful work. Why aren't recently retrenched workers in the unemployed and underemployed category going to the head of the queue for jobs on mining and resource projects, and why can billionaires like Gina Rinehart set our immigration policy and avoid having to employ locals?

Mr BOWEN (McMahon—Minister for Immigration and Citizenship) (14:14): I thank the honourable member for Melbourne for his question. In answer to his question, his constituents—and every other resident of Australia—are at the front of the queue for the jobs at the Roy Hill project. This $9.5 billion project will require over 8,000 workers in the construction phase over the next three years. As part of the agreement struck by the government they must employ at least 6,700 Australians in those positions. The agreement enables them to employ up to 1,715 457 visa holders if they are unable to source those workers in Australia. My department will audit Roy Hill every six months to ensure they are complying with the agreement—including ensuring they make every effort to recruit Australian workers. I understand Roy Hill is about to begin a very comprehensive and substantial recruitment program in Australia and all Australians will be able to apply for one of the 6,700 jobs that this government has ensured will be delivered.

Another myth which is the subject of the honourable member's question is training requirements. As a result of this government's assistance, under the Roy Hill agreement, Roy Hill must create 2,000 training places for Australians, including 230 apprenticeships with a special emphasis on mature age Australians just like the ones the honourable member refers to. As I said before, perhaps most importantly of all this agreement was necessary to ensure these jobs were created in the first place. This EMA delivers on what EMAs were meant to deliver when the National Resources Sector Employment Taskforce recommended them in 2010 and when the budget announced them in 2011. Without the assurance of the enterprise migration agreement there was a very real risk that this project would not proceed at all. The confirmation of the project is very good news indeed for Australian workers. The sheer size of the expansion in projects means that there will be workforce shortages over coming years and these agreements are a key way the government ensure that the projects are delivered. They will be delivering export earnings for Australian workers for many years to come and jobs for any Australian who wants to work in the resources sector.

The DEPUTY SPEAKER (Ms AE Burke) (14:17): I want to welcome to the gallery this afternoon the former member for Canberra, Annette Ellis, and thank her for the calming effect she seems to be having on the chamber today. Honorable members: Hear, hear!

Mrs D'ATH (Petrie) (14:17): My question is to the Treasurer. What is the
government doing to assist pensioners with cost-of-living pressures?

Mr SWAN (Lilley—Deputy Prime Minister and Treasurer) (14:17): I thank the member for Petrie for that question because we on this side of the House have a proven track record in delivering support to people on low and middle incomes to make ends meet. As the Minister for Families, Community Services and Indigenous Affairs said before, we delivered the single biggest increase in our age pension in 100 years. It is something that everybody on this side of the House is very proud of. On top of that we delivered a fair go budget, which is spreading the opportunities of the resources boom right around our country with the schoolkids bonus and increases in family payments. We are now delivering assistance particularly to pensioners with the clean energy package. As the Prime Minister said, we are delivering $250 for single pensioners and $380 for couples. That is something like $700 million which will go to more than three million pensioners in our community. On top of that, there is also additional assistance to students and job seekers that will come through in coming weeks. In all we are putting something like $1.5 billion into the pockets of pensioners and those who are receiving clean energy assistance—and that is just the beginning. From 1 July we are tripling the tax-free threshold. This will provide tax cuts for something like seven million low- and middle-income earners in our community. Some of the oldest in our community will be the biggest winners. If you take a self-funded retiree couple with $35,000 each in private income, they will receive a tax cut of $1,500. What we are doing here is ensuring tax justice for some of those people on the lowest incomes in our community.

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In all we are putting something like $1.5 billion into the pockets of pensioners and those who are receiving clean energy assistance—and that is just the beginning. From 1 July we are tripling the tax-free threshold. This will provide tax cuts for something like seven million low- and middle-income earners in our community. Some of the oldest in our community will be the biggest winners. If you take a self-funded retiree couple with $35,000 each in private income, they will receive a tax cut of $1,500. What we are doing here is ensuring tax justice for some of those people on the lowest incomes in our community.

It is completely beyond me why the shadow Treasurer said a week or so ago that they are going to claw all those tax cuts back from something like seven million low- and middle-income earners in our community. That will be ripping $3 billion off low- and middle-income earners in our community—ripping it off the six million people out there who will get assistance that exceeds the costs that flow through from the clean energy package. Those opposite come in here day after day and claim they are concerned with the cost of living. They have policies where they are going to claw that assistance back. Indeed, the opposition leader here will claw that assistance back from the 11,000 pensioners in his own electorate.

Mrs D'ATH (Petrie) (14:20): I have a supplementary question to the Treasurer. How will pensioners in electorates like mine benefit from this support?

Mr SWAN (Lilley—Deputy Prime Minister and Treasurer) (14:20): I thank the member for Petrie for her question because there will be something like 22,600 pensioners in the electorate of Petrie that will receive this support—22,000 of them—and that is something we are very proud of. This will be an advance in that electorate of something like $5 million—$250 for singles and $380 for couples. When this is permanent, from March next year, it will be $338 for singles and $510 for couples. I know the member for Petrie is very proud that that assistance is being paid into that electorate, unlike those opposite who want to rip it back from all of the pensioners in their electorates.

Enterprise Migration Agreements

Mr IAN MACFARLANE (Groom) (14:17): My question is to the Minister for Resources and Energy and Minister for Tourism. I refer to the agreement struck with Gina Rinehart to employ 1,700 overseas
workers at the Roy Hill project in Western Australia through an enterprise migration agreement. Is it intended that this agreement will be a model for future enterprise migration agreements across the mining sector?

Mr MARTIN FERGUSON (Batman—Minister for Resources and Energy and Minister for Tourism) (14:22): I thank the shadow minister for the question and in doing so indicate that we made it very clear in the budget of last year that we are open to doing these agreements on a variety of projects if they meet the conditions that we deem appropriate. This is the first of potentially a range of agreements, but people should remember first and foremost this is about creating jobs for Australians. That was our top priority during the global financial crisis and it is our top priority as we go forward as a nation. This is 6,700 new jobs. But also understand that this project is not currently committed. Last week we reported to the House that there were $260 billion in committed capital investment in Australia at the moment. Delivery of this project will take us to $270 billion. My problem as the minister is that in all of the discussions I have with the companies we either make sure that we can source labour or we lose these projects, we lose investment and we lose job opportunities for Australians.

People should remember that this is not just about jobs in construction; this is about almost 2,000, high-skilled, well-paid jobs in production. Our agreement is that only Australians will be employed during production. The training agreement entered into by the Minister for Immigration and Citizenship demands that during the period of construction Australians will be trained to have jobs during production—2,000 of them: apprenticeships and traineeships and, perhaps more importantly to me, as someone who cares about employing Indigenous Australians, 100 guaranteed opportunities to employ Indigenous Australians.

The agreement speaks for itself. It is in our national interest but, as usual, the coalition cannot see the wood from the trees when it comes to the national interest.

Carbon Pricing

Mr LAURIE FERGUSON (Werriwa) (14:24): My question is to the Minister for Climate Change and Energy Efficiency and the Minister for Industry and Innovation. Will the minister update the House on the design and delivery of the government's Household Assistance Package for the carbon price? What does this mean for Australian pensioners? Why is it important that pensioners get this assistance?

Mr COMBET (Charlton—Minister for Industry and Innovation and Minister for Climate Change and Energy Efficiency) (14:24): I thank the member for Werriwa for his question. The carbon price will only have a modest impact on the cost of living—an increase in the consumer price index, in fact, of 0.7 per cent. Key aspects of this forecast are now being confirmed by determinations that are coming from various of the state jurisdiction pricing regulators.

To help households the government is providing tax cuts, we are increasing pensions and we are increasing family tax benefits and a host of other Commonwealth payments. A fortnight ago, of course, we started making lump-sum payments to families in relation to family tax benefit increases. From today, as we have heard, cash payments will start flowing to pensioners. Single pensioners will receive $250 and couple pensioners will receive $380. This is going to be very helpful to pensioners all around Australia, in all of our electorates—as those that we represent in this House. For example, in the electorate of Paterson, over 29,000 pensioners will receive...
assistance and yet the member for Paterson opposes it.

Pensioners around the country, in fact, have been repeatedly misled by members of the coalition, by the Leader of the Opposition, about the carbon price. The Leader of the Opposition has in fact claimed the cost of living impact of the carbon price will be 'unimaginable'. The member for Paterson, who I referred to a moment ago, has said that the carbon price would 'start an avalanche of inflation and a massive price hike'. All of this is completely deceitful.

Just last week the member for Paterson also wrongly blamed the carbon price for job losses at the Norsk Hydro aluminium smelter, whereas Norsk Hydro Vice President Halvor Molland made it absolutely clear:

The decision would have been the same with or without the carbon tax.

Those are the facts. The price impact is only 0.7 per cent. The government is using that carbon price revenue to provide tax cuts, pension increases, increases in family allowances for families who receive family tax benefits and we are increasing many other payments—an average of $10.10 per week for households across this country, with a modest price impact. In fact, when taken in combination with other measures announced in the budget, some families with an income in the order of $60,000 or $80,000 a year could well receive over $2,000 extra in the next financial year. (Time expired)

Enterprise Migration Agreements

Ms LEY (Farrer) (14:27): My question is to the Minister for Employment and Workplace Relations. I refer to the agreement struck with Gina Rinehart to employ 1,700 overseas workers at the Roy Hill project in Western Australia through an enterprise migration agreement. Did the minister or his office try to alter the Minister for Immigration and Citizenship’s announcement about this arrangement prior to its release last Friday?

Mr SHORTEN (Maribyrnong—Minister for Financial Services and Superannuation and Minister for Employment and Workplace Relations) (14:28): I thank the member for Farrer for her question. The Gillard government is very committed to the creation of jobs in Australia.

Opposition members interjecting—

Mr SHORTEN: There we go again! Whenever we talk about creating jobs those opposite just start barking! The Roy Hill project will create Australian jobs. This is a government committed to the creation of Australian jobs. That is why I have been pleased to work with the Minister for Immigration and Citizenship on the Roy Hill project. There will be over 6½ thousand Australian jobs created for Australians in the construction phase and 2,000 jobs in the production phase. This is good news, but those opposite are always trying to find the wedges and the bad news in the good news.

What I am also pleased to be able to answer in terms of the member for Farrer's question is that we will have the jobs board to ensure that Australians who are out of work will be able to put their names forward, and Australian mining companies will find it easier to employ Australians. Furthermore, we are very keen in terms of a commitment to training and skilling of apprentices and Indigenous Australians. What is wrong—too much good news?

Mr Pyne: Madam Deputy Speaker, I rise on a point of order. The minister was not asked a general, wide-ranging question; he was asked: did he seek to alter the announcement before it was made last Friday by the Minister for Immigration?

The DEPUTY SPEAKER: The Manager of Opposition Business will resume
his seat. He has made his point of order. The minister has the call and will refer to the question before the chair.

Mr SHORTEN: Certainly it has been an opportunity for the government to work on creating the EMA. Let us be very clear for the Manager of Opposition Business in this House: this government stands for Australians to get jobs in Australia but we also stand to exploit the mining boom and, where it is necessary, if Australians have the opportunity to get the jobs, once that has been satisfied, we welcome the opportunity to develop the minerals resources of this country in the long-term interests of Australian children and their grandchildren.

Murray-Darling Basin

Mr CHAMPION (Wakefield) (14:30): My question is to the Minister for Sustainability, Environment, Water, Population and Communities. Will the minister update the House on the latest information from the Murray-Darling Basin Authority? What are the next steps in securing the future of the Basin?

Mr BURKE (Watson—Minister for Sustainability, Environment, Water, Population and Communities) (14:31): I thank the member for Wakefield for the question. This morning the Murray-Darling Basin Authority released the revised draft plan. We went through a series of iterations of this document, and this is the latest one. It has a number of improvements, but I still believe it falls short of the ambition that the government has for Murray-Darling reform.

There are some significant improvements in this from the previous iteration of the document—in particular, on groundwater. Many members in this House—the member for New England included, but a number of members from both sides—had mentioned their concerns about the significant increase in groundwater extraction that appeared in the draft plan. None of us want to see a situation where you go to so much effort in improving surface water only to see it undone by overextraction of groundwater. Given the limited knowledge of the science of groundwater, I think there is an argument to make sure that we have a very precautionary approach to this matter. I raised this view at a number of the public meetings around the Basin. It is one of the few issues where you have irrigation communities and conservation groups arguing the same thing.

The authority certainly have made significant adjustments back in a much more cautious approach to groundwater, and I commend them for doing that. But there are still limits to the ambition of the reform, and in their covering letter in presenting it to me they have flagged a couple of issues which will now go to the ministerial council for us to work out how much further the reform can be taken. One issue they have raised—something that has been consistently put forward by the Victorian government, in particular—is about wanting to see just how far we can press the issues of the river rules, environmental works and measures and infrastructure measures to see how far we can go in using non buyback methods to bridge the gap.

There have been demands, in particular from the South Australian government, about wanting to see how much further we might be able to go with achieving environmental outcomes. Many of the environmental outcomes are well met by the document in front of us. When you go through the accompanying documentation, you see that the Coorong, the Lower Lakes, Hatter Lakes and a series of places have been well catered for. There is a number, like Chowler, that still fall well below, and the authority has provided a pathway by way of a request for government to consider further infrastructure
investment to be able to take that to levels that begin with the number 3,000 while, by doing it through infrastructure, not having the knock-on impact to communities.

So we know what the authority thinks and we know the government's intention as to where we would like to take the reform. But it must be something that can survive this parliament, and to date I still do not know what the opposition believe. Barnaby Joyce stood up at a media conference and said, 'I'll tell you what we believe: we disagree with what the Greens are saying,' and nothing more. We need something that can survive the parliament. We cannot be yet another generation that falls short on Murray-Darling reform. (Time expired)

**Enterprise Migration Agreements**

Mr HOCKEY (North Sydney) (14:34): My question is to the Treasurer. I refer the Treasurer to his essay in *The Monthly* magazine where he commented that now was the time to 'fight a pitched battle against the influence of vested interests'. How does the Treasurer reconcile his 12 statements in the last three months directly attacking Gina Rinehart with the agreement the government has reached to employ 1,700 overseas workers at Gina Rinehart's Roy Hill project?

Mr SWAN (Lilley—Deputy Prime Minister and Treasurer) (14:34): I do thank the shadow Treasurer for that question, because the very purpose of this government is to create wealth and to spread opportunity, to make sure that our economy grows and to make sure that the benefits of that growth are spread evenly across our country. That theme goes to the very core of our recent budgets—indeed, to all of our budgets. Of course, there is nothing we are more proud of than the something like 800,000 jobs that have been created in this country with an unemployment rate of 4.9 per cent. We are very proud of that. We are also very proud of the fact that we have a very big resources pipeline—a big investment pipeline of over half a trillion dollars.

We on this side of the House are absolutely determined that all Australians who are looking for work get a chance to get a job on those projects. That is what we are about. That is why put in place the resources task force, which recommended enterprise migration agreements, and, of course, we will work with investors—

Mr Hockey: Madam Deputy Speaker, I rise on a point of order. It goes to how the Treasurer can reconcile his attacks on Gina Rinehart with his mates doing a deal with her.

The DEPUTY SPEAKER: That was not a point of order. The Treasurer has the call.

Mr SWAN: My essay was about how some vested interests have a disproportionate say in our economy and in our society and seek to exercise disproportionate influence. In this case, we have an investor that is going to invest in a project which is going to create Australian jobs. We will work with any investors to create Australian jobs. That is what we have been doing. You would not have an investment pipeline of over half a trillion dollars if we did not work with the business community and the mining community to create opportunities for Australia, and I would never discriminate against any individual who was prepared to put cash on the line to invest in jobs in this country. There is a very important point that needs to be made, and everybody should listen and take this very seriously. We need to take the bounty of this boom and spread it among all Australians; but when vested interests like Gina Rinehart get up and oppose the MRRT, we will bell the cat about what they are really saying. What they are saying, when they are opposing the MRRT, is that all Australians should not get a fair
share of the mining boom. We could have a disagreement with her about that and still put in place a set of policies which grow our economy and spread jobs to every corner of our society.

**Shipping**

Ms SMYTH (La Trobe) (14:38): My question is to the Minister for Infrastructure and Transport. Will the Minister advise the House of the government’s efforts to revitalise the Australian shipping industry? What are the obstacles to this important reform to create jobs for Australians?

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (14:38): I thank the member for La Trobe for her question. In part because of the resources boom, Australia's shipping task is now the fourth largest in the world. But, at the same time as it has been growing, the number of Australian ships operating has been in drastic decline—from 55 in 1996 to 21 today, with just four operating internationally. We are a country where 99.9 per cent of our exports are moved by ships, and there will soon be no Australian shipping fleet to revitalise. We need to act now or we will simply not have an industry at all, and an Aussie flag on the back of an Aussie ship will be consigned to history. Our reforms are designed to encourage investment in Australian shipping—not through protection but by ensuring that Australian ships operate competitively with their international competitors through zero tax for Australian shipping companies and zero tax for Australian seafarers. Those opposite have never seen a tax reduction that they could support.

This is sensible policy to level the playing field with our international competitors. That is why it has been welcomed by the shipping industry, and that is why it has been welcomed by many users of ships. These reforms are entirely consistent with the unanimous recommendations of the House of Representatives inquiry of which the member for Hinkler was the deputy chair.

Those opposite should get on board for this important reform. We have had a parliamentary inquiry which was established in 2007 and which reported in 2008. In 2009 I convened the Shipping Policy Advisory Group, which contained groups such as BHP Billiton, Rio Tinto and the Australian Shipping Association. In 2010 we fulfilled our election commitment by delivering a discussion paper. In 2011 there were three industry groups, including the tax group chaired by Treasury. There were industry representatives on each of the three groups, which dealt with taxation, regulatory reform and workforce development issues. We had exposure drafts of the legislation, yet those opposite say 'no, no, no' to this reform. They want another inquiry. The walking vuvuzela is back again. Aussie seafarers on Aussie ships with an Aussie flag on the back, carrying Aussie goods around the Aussie coast and internationally—how hard is it to say yes to this reform? (Time expired)

**Enterprise Migration Agreements**

Ms JULIE BISHOP (Curtin—Deputy Leader of the Opposition) (14:41): My question is to the Prime Minister. Did the Prime Minister know about the enterprise migration agreement offered to Gina Rinehart when she made this statement to the House last Thursday: 'If you want a government that is going to put Gina's interests first, then the Leader of the Opposition is your man.' Does the Prime Minister support the agreement reached with Gina Rinehart for the Roy Hill project?

Ms GILLARD (Lalor—Prime Minister) (14:42): I was fully briefed about the Roy Hill enterprise migration agreement having returned from Chicago last Wednesday. I say
to the Deputy Leader of the Opposition: yes, my statement in the parliament is right, because that statement is about the minerals resource rent tax. Let us be very clear: when it comes to the minerals resource rent tax, we have picked the side of Australian families and increasing their family payments, and the Leader of the Opposition has picked the side of the billionaires.

Opposition members interjecting—

Ms GILLARD: I am directly answering the deputy leader's question.

Ms Julie Bishop: Madam Deputy Speaker, I raise a point of order. The Prime Minister said she did know about it, so she has answered that part. The question is: does she support the—

The DEPUTY SPEAKER (Ms AE Burke): The Deputy Leader of the Opposition will resume her seat. That was not a point of order. The Prime Minister has the call and is being relevant to the question.

Ms GILLARD: The deputy leader's question went directly to a statement in parliament about Gina Rinehart's interests being served by the Leader of the Opposition. Yes, he is Gina Rinehart's butler because he is a man in this parliament who says to Australian families, 'Give up your family payments because I want to give them back to Gina Rinehart.' The Leader of the Opposition, the Deputy Leader of the Opposition and all of those on the opposition benches seem unable to make what is a very clear distinction.

I am happy when major mining companies create Australian jobs and prosperity.

Mrs Griggs interjecting—

The DEPUTY SPEAKER: The member for Solomon is warned.

Ms GILLARD: That is a good thing, and that will only ever get a tick from me. That is a good thing. I simply believe that, at the same time as those mining companies are creating those jobs and prosperity, they should pay their fair share of tax. I know that that is an offensive proposition to the Leader of the Opposition. He thinks that Australian families should give up increased family payments. He believes that working people should give up superannuation. He believes that mining companies should give up infrastructure so that those mining magnates can pay less tax. That is the political divide in this parliament—whether you believe in opportunity for all coming out of the resources boom or whether you believe in serving the—

The DEPUTY SPEAKER: The Prime Minister will resume her seat. The member for Mackellar on a point of order other than relevance.

Mrs Bronwyn Bishop: Yes, Madam Deputy Speaker, and I refer you to page 551 of House of Representatives Practice where it is stated:

When a Minister is occasionally unable to provide an immediate substantive answer, he or she may either undertake to supply—

it or sit down.

The DEPUTY SPEAKER: The member for Mackellar will resume her seat! She will not abuse question time with frivolous points of order. The Prime Minister has the call and will return to the question before the chair.

Ms GILLARD: Thank you, and I was addressing that section of the question that related to my statement in parliament last Thursday about which I was very directly asked, Madam Deputy Speaker. And so, having made very clear that the Leader of the Opposition is in here to serve the interests of a privileged few, let me also say this: we will always put Australian jobs first.

Mrs Griggs interjecting—

The DEPUTY SPEAKER: The member for Solomon will leave the chamber under
standing order 94(a), and if she thinks just muttering under her breath is not offensive, it is. She has been warned twice—

Opposition members interjecting—

The DEPUTY SPEAKER: My apologies, but the member for Solomon has been warned once, and that is more courtesy than most people get. The Prime Minister has the call.

The member for Solomon then left the chamber.

Ms GILLARD: On arrangements with Roy Hill, and arrangements in mining generally, we will always put Australian jobs first. The Minister for Immigration and Citizenship and the Minister for Resources and Energy have worked on this agreement to secure Australian jobs and of course I support that securing of Australian jobs. I know the Leader of the Opposition is always opposed to Australian jobs. (Time expired)

Ms JULIE BISHOP (Curtin—Deputy Leader of the Opposition) (14:46): My supplementary question is to the Prime Minister. Does she or does she not support the agreement offered to Gina Rinehart for the Roy Hill project? Yes or no?

Ms GILLARD (Lalor—Prime Minister) (14:46): I say to the Deputy Leader of the Opposition: she would be better off to listen to the answers. The Roy Hill agreement will go ahead. It supports Australian jobs and I support Australian jobs. I also support the training outcomes in the Roy Hill agreement and I support the opportunities for Indigenous Australians in the Roy Hill agreement. I think that these are very good things—employing Australians, training Australians and supporting the jobs of Indigenous Australians. We as a government will continue to work to put Australian jobs first—

Ms Julie Bishop: Madam Deputy Speaker, I rise on a point of order. We just want a straight answer from the Prime Minister. Does she support it?

The DEPUTY SPEAKER: The Deputy Leader of the Opposition will resume her seat. When we have quiet, the Prime Minister has the call.

Ms GILLARD: Just because the Deputy Leader of the Opposition does not like the answer, that does not make it not a straight answer. Straight up, I support Australian jobs and the Roy Hill agreement will help us create Australian jobs—that is a good thing. I support training outcomes—that is a good thing. I support jobs for Indigenous Australians—that is a good thing. And we will keep working in enterprise migration agreements to make sure that Australians are always at the front of the queue and that they are always the ones who get the opportunities flowing from these resource projects as a priority. That is why we will create a jobs board and make use of it, conditional for future agreements, and we will be strengthening oversight, because we will always put Australian jobs first despite the negativity of those opposite. (Time expired)

Budget

Ms SAFFIN (Page) (14:48): My question is to the Assistant Treasurer and Minister Assisting for Deregulation. How is the government getting the budget back to surplus and, at the same time, helping Australian pensioners and families who are not in the mining boom fast lane? What does this mean for pensioners in my local community of the Northern Rivers and others on the North Coast?

Mr Chester: I hope that is a temporary tattoo, David!
Mr BRADBURY (Lindsay—Assistant Treasurer and Minister Assisting for Deregulation) (14:49): Thank you to the member for Page for her question. This government has brought down a responsible budget that will get Australia back to surplus. We have a strong economy. It is an economy that is expected to grow faster than all other advanced economies over the coming years. We have low unemployment, we have contained inflation, we have low net debt and we have a record pipeline of investment coming into this economy. In these circumstances, now is the time for us to be returning the budget to surplus and that is what this government is doing.

We are a Labor government, and as a Labor government we are determined to make sure that we spread the benefit of the boom and that we ensure that all Australians get some benefit out of the growth that our economy is experiencing. That is why we are determined to provide assistance to pensioners and to families. That is why I am happy to report to the member for Page that some 31,500 pensioners in her electorate will benefit from the upfront household assistance payments of $250 for individuals and $380 for couples combined. Those 31,500 pensioners in the electorate of Page will be receiving this assistance straight into their bank accounts. With that many pensioners in her electorate, it is no wonder that the member for Page is very passionate about support and assistance for pensioners.

I note that in the neighbouring electorate on the mid-North Coast of Cowper, there are even more pensioners—33,100 of them. With that many pensioners in his electorate, I would have thought that the member for Cowper should not come into this place and vote against assistance for those individuals. I hope the member for Cowper writes to every one of those 33,100 pensioners in his electorate to explain why he wants to rip that assistance away. That is what he will do if they get elected.

We have delivered this assistance and that comes on the back of an historic increase in the pension. The increase that a single aged pensioner is receiving under this government since 2009 is more than $4,000 a year. In contrast, those opposite want to come into this place and pretend that they care for pensioners and for Australian families. The Leader of the Opposition comes in and says he cares about pensioners, but he votes no to pension increases. He says that he cares about families, but he votes no to increases in family payments. He says that he cares about small businesses, but he votes no when it comes to tax relief. We all know that those opposite have got a $70 billion black hole. The only way they are going to fill it is by burning a hole in the pockets of pensioners and working Australians. (Time expired)

Mr ABBOTT (Warringah—Leader of the Opposition) (14:52): My question is to the Prime Minister. Did the Prime Minister inform union officials last week that she did not support the Roy Hill agreement and had not been informed about it?

Ms GILLARD (Lalor—Prime Minister) (14:52): On Friday last week I did meet with some union officials and talked about the
Roy Hill enterprise migration agreement and talked about circumstances involving Australian jobs. I also on Friday last week met with the Minister for Immigration and the Minister for Employment and Workplace Relations, and we discussed the jobs board and its interconnection with enterprise migration agreements—that is, making sure that Australians who are on the jobs board can have the opportunity to be considered first for the many jobs that will flow from the huge mining boom that our country is experiencing—and we discussed additional monitoring and oversight of enterprise migration agreements.

On my briefing about—

The DEPUTY SPEAKER: The Prime Minister will resume her seat. The Leader of the Opposition on a point of order.

Mr Abbott: Madam Deputyspeaker, it was a pretty simple question. Did the Prime Minister tell union officials that she did not support the Roy Hill agreement and that she was not informed about it? I think the House deserves an answer—

The DEPUTY SPEAKER: The Leader of the Opposition will resume his seat. The Prime Minister is answering the question and has the call.

Ms GILLARD: I have answered both of those questions in the House today, and no amount of screaming by the opposition changes those facts. The facts I have explained to the House today are the facts I have explained to everyone: I was briefed on my return from Chicago. Of course I support the creation of Australian jobs. I want to see more than 6,000 jobs created for Australians at Roy Hill, and we will always support arrangements to put Australian jobs first. We know we will always face the relentless negativity of the opposition when we do so because the Leader of the Opposition has never in this parliament stood up for Australian jobs—not during the global financial crisis, not for steelmakers, not for auto workers—and he never will.

Mature Age Workers

Dr LEIGH (Fraser) (14:54): My question is to the Minister for Employment Participation and Minister for Early Childhood and Childcare. How is the government supporting Australians of all ages to find work and stay in work so our economy continues to benefit from their skills and experience?

Ms KATE ELLIS (Adelaide—Minister for Employment Participation and Minister for Early Childhood and Childcare) (14:55): I thank the member for Fraser for his question. The member for Fraser knows well this government’s strong record when it comes to jobs and increasing workforce participation. But what he and we on this side of the House also know is that we also need to make sure that no-one is left behind, that all people across our community are sharing in the prosperity of our strong economy.

I know that many members in this place hear in their local community, like I do, from mature-age Australians who feel they are not being given their fair go when it comes to applying for jobs and getting involved in our labour market. In fact, the evidence shows that, while unemployment rates are generally lower for mature-age Australians, when they do happen to find themselves out of work they tend to take almost twice as long as the rest of the community to get back into the workforce. Despite lower rates of absenteeism, high retention rates and the benefit of decades of experience in the labour market, too many mature-age Australians are feeling like they are being shut out of the workforce.

In this year’s budget our government reaffirmed our commitment to mature-age
Australians and the valuable role they play in our economy and in our workplaces. That is why we will be offering a new jobs bonus of $1,000 to employers who take on a worker aged 50 and over. We know that subsidies and incentives work. Last year we introduced wage subsidies to encourage employers to take on job seekers who had been unemployed for two years or longer. We have already seen over 6,000 of these workers re-enter the workforce, some of them for the first time in over a decade.

This jobs bonus is about giving mature age job seekers that first foot in the door. But it is not the only initiative our government is introducing in this area. We have also announced a significant expansion of the Corporate Champions program. This is where our government works hand in hand with the Australian Industry Group and ACCI to change the culture of our workplaces and ensure that we value mature-age workers. We have also announced an expanded career advice line, staffed by recruitment professionals, for mature-age job seekers and, importantly, we have announced additional funding for the Age Discrimination Commissioner, ensuring that we can crack down on discrimination where it takes place in our community.

Our government is putting in place the necessary supports to make sure those who wish to continue working can do so. We are putting in place the supports to ensure that people get a fair go in our workplaces, including mature-age Australians. This is good news for our community and it is also good news for our strong economy and our workforce.

**Enterprise Migration Agreements**

**Mr ABBOTT** (Warringah—Leader of the Opposition) (14:58): I have a question for the Prime Minister. Does the Prime Minister support the whole of the Roy Hill agreement? Does she support the agreement lock, stock and barrel, including the employment of up to 1,700 foreign workers?

**Ms GILLARD** (Lalor—Prime Minister) (14:58): The Leader of the Opposition is growing strangely obsessed and unable to listen to my words—I am not quite sure why. The Leader of the Opposition, of course, is always opposed to jobs, so when someone talks about Australian jobs first he obviously gets confused. He did not want me to mention Australian jobs first, because they are offensive to him. He did not want me to mention the training of Australians first, because that is obviously offensive to him.

The Roy Hill agreement includes Australian jobs, Indigenous training—

**Mr Andrews:** We know all that; just answer the question.

**Ms GILLARD:** The member for Menzies says, 'We know all that.' He dismisses out of hand more than 6,000 jobs for Australians. That is completely irrelevant to him. He could not care less about employing 6,000 Australians. He could not care less about the training outcomes for 200 Australians. He could not care less about the 200 apprentices and trainees. He could not care less about the 100 Indigenous Australians being prepared for work in the construction industry. The member for Menzies might think these are incidental details and not interesting. These are real people's lives, getting an opportunity from the resources boom. The Roy Hill agreement has in it all of these outcomes, as well as the agreement that there will be up to 1,715 foreign workers for the construction phase. So, of course, in total the Roy Hill agreement is about jobs, is about training, is about Indigenous Australians, is about this agreement for up to 1,715 foreign workers and it has my support.

**Opposition members interjecting—**
The DEPUTY SPEAKER: Order! I am going to wrongly attribute that call to the Deputy Leader of the Opposition, but I will not ask her to withdraw. Whoever made that comment is skating on very thin ice. The member for Kingston has the call and will be heard in silence.

Square Kilometre Array Project

Ms RISHWORTH (Kingston) (15:01): My question is to the Minister representing the Minister for Science. How will Australia benefit from the decision to jointly locate the Square Kilometre Array radio telescope in Australia, New Zealand and South Africa?

Mr COMBET (Charlton—Minister for Industry and Innovation and Minister for Climate Change and Energy Efficiency) (15:01): I thank the member for Kingston for her question because there was a very exciting scientific decision taken last week on Friday by the Square Kilometre Array Organisation. Australia and New Zealand had been competing with South Africa for the right to host and construct the Square Kilometre Array project. In a Solomon-like stroke of wisdom, the Square Kilometre Array Organisation decided to share the project development between sites in Australia, New Zealand and South Africa. It is a great result for Australian science. It confirms our expertise in radio astronomy and places our scientists at the forefront of global astronomy and will do so for many years to come.

The Square Kilometre Array is a $1.9 billion project. It is a radio telescope and one of the largest scientific projects of the 21st century. It will collect vast quantities of data that will be available for the consideration of astronomers all around the world. In the first phase of the project, Australia will build on its substantial investment already at the CSIRO's Australian Square Kilometre Array Pathfinder—ASKAP—telescope which is in the Murchison region of Western Australia. The two governments of the Commonwealth and Western Australia have worked together and have jointly invested to date more than $400 million in research infrastructure for the 36-dish ASKAP and the Murchison radio astronomy observatory. In phase 1 of the Square Kilometre Array project we will build on that investment, installing more than 60 dishes to detect mid-frequency radio waves. We will also build an array of antennas designed to detect low-frequency radio waves.

The SKA is more than just an astronomy project. It will create hundreds of jobs in engineering and construction and put Australia at the forefront of the information technology industry as well because the supercomputers that will be needed to process the extraordinary volume of data from this project will be leading technologies. They will be available to and engaged with Australian scientists for many years to come. Many industrial innovations will also inevitably be generated by this project. It is a great win for Australian science and a great win for Australian innovation and a credit to both Senators Carr and Evans, who have worked on this project for some time.

Ms Gillard: It being the right number of questions, I ask that further questions be placed on the Notice Paper.

Mr Pyne: Madam Speaker, it has not been the right number of questions from the opposition. In fact, we have the ninth question to ask.

The DEPUTY SPEAKER (Ms AE Burke): The Prime Minister has sought to have further questions placed on the Notice Paper. I have no authority to override that.

Mr Abbott: Madam Deputy Speaker, on a point of order: under the revised standing orders the opposition is allowed nine
questions and question time is supposed to run until 10 past three. Question time has not run till 10 past three. The Prime Minister is running away from question time.

Mr Albanese interjecting—

The DEPUTY SPEAKER: The Leader of the Opposition will resume his seat.

Mr Hockey: Madam Deputy Speaker, on a point of order: the Leader of the House made an open reflection on a member over here and I would ask that he withdraw that reflection.

The DEPUTY SPEAKER: The Leader of the House will withdraw to assist the chair. I actually did not hear the comment.

Mr Albanese: I withdraw, Madam Deputy Speaker. The fact is we have had the regulated—

Opposition members interjecting—

Mr Albanese: I have done that. To the point of order that he is raising, if they cannot count to nine, it is not our fault.

The DEPUTY SPEAKER: The Leader of the House is talking to the point of order.

Mr Hockey: Madam Deputy Speaker, I asked him to withdraw.

The DEPUTY SPEAKER: And he withdrew. I believe I am going to give the call to the Leader of the House. For everybody else's benefit, maybe they should all depart quickly and quietly.

Mr Albanese: They should go back to their offices and practice counting to nine.

DOCUMENTS

Presentation

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (15:06): A documents is presented as listed in the schedule circulated to honourable members. Details of the document will be recorded in the Votes and Proceedings and I move:

That the House take note of the following document:

Department of the Treasury—Report for 2010-11—Corrigendum.

Debate adjourned.

PERSONAL EXPLANATIONS

Mr ABBOTT (Warringah—Leader of the Opposition) (15:07): Mr Speaker, I wish to make a personal explanation.

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

Mr ABBOTT: Yes.

The DEPUTY SPEAKER: Please proceed.

Mr ABBOTT: I have now had a chance to review the Hansard from last Thursday. In question time last week the Leader of the House made a claim that I had threatened a particular member of this parliament in a previous parliament. The claim made by the Leader of the House is absolutely and utterly wrong. It is an absolute, utter and complete fiction, and frankly he should apologise for peddling this kind of lie to the House.

The DEPUTY SPEAKER: Order! The Leader of the Opposition needs to demonstrate where he has been misrepresented.

MINISTERIAL STATEMENTS

Afghanistan

Mr STEPHEN SMITH (Perth—Minister for Defence and Deputy Leader of the House) (15:08): On indulgence, on a matter on which I have given the member for Fadden some notice, members will be aware of a number of allegations raised in News Limited papers today about the repatriation and handling of the remains of Australian Defence Force personnel from Afghanistan, as well as a number of other issues. The allegations relate to an incorrect orientation
of caskets; that some ADF human remains were not repatriated in accordance with Defence policy; that the remains of an Afghan local national were handled inappropriately; and that a 16-year-old Afghan minor was detained inappropriately.

I draw members' attention to evidence given by the Chief of the Defence Force, General David Hurley, during Senate estimates earlier today where he addressed these issues in some detail. Anyone who saw the Chief of the Defence Force's evidence will have full confidence that these matters are being investigated seriously, methodically and with due regard for the reputation of the Australian Defence Force and Australia.

Defence had already commenced inquiries into a range of these matters, and in some cases the investigations are complete or close to completion. In particular, I draw members' attention to the strong evidence of the Chief of the Defence Force that all evidence to date shows that bodies of our war dead were treated at all times with dignity and respect.

Members might recall that in my statement to the parliament on Afghanistan last week I advised the House that the Inspector-General of the ADF had commenced an inquiry into allegations of flawed Australian Defence Force Investigative Service processes in the Middle East Area of Operations. The Inspector General of the ADF's inquiry includes the repatriation of ADF remains from the Middle East Area of Operations. In consultation with the Chief of the Defence Force, the reference in my statement did not go to any detail out of respect for the families and friends of the deceased. I undertook at the time to advise the House on the outcomes of that investigation as appropriate in due course. The Chief of the Defence Force repeated that today in his own respect.

I commend the shadow minister for Defence, Senator David Johnston, for his respect in today's Senate estimates hearing for the Chief of the Defence Force's management of these issues. The matters raised are undergoing investigation and the outcomes will be advised as appropriate. This would have been a distressing time for the 32 families of our war dead, and our thoughts are with them at this difficult time.

Mr ROBERT (Fadden) (15:10): The coalition has been aware of these allegations for a number of months and has been aware that they are being investigated as per due process. The minister made this point in the House last week that the investigations are ongoing and also included in his statement to the House last week that it is being widened to include other issues. The minister also promised to keep the opposition up to speed with the widening of the investigation, and we thank the minister for his continual work in the area.

BILLS

Shipping Registration Amendment (Australian International Shipping Register) Bill 2012
Coastal Trading (Revitalising Australian Shipping) Bill 2012
Coastal Trading (Revitalising Australian Shipping) (Consequential Amendments and Transitional Provisions) Bill 2012
Tax Laws Amendment (Shipping Reform) Bill 2012
Shipping Reform (Tax Incentives) Bill 2012

Second Reading
Cognate debate.
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 declines to give this bill and associated bills a second reading until the bills have been referred to the Productivity Commission to:

(1) assess the Government's proposed 'shipping reform package' for both international and coastal trades with reference to the current and historical arrangements;

(2) measure and discuss the economic and environmental impacts of reducing or increasing regulation of Australia's coastal shipping services to Australian manufacturing and industry dependent on coastal shipping services, the wider economy and Australia's coastal trading fleet, including passenger services;

(3) provide recommendations on policy options that would achieve the Government's objective for a viable, competitive shipping service in Australia for both coastal and international shipping that is in the national interest, lead to productivity gains and will not disaffect Australian manufacturing, industry and tourism; and

(4) report on or before 31 December 2012."

The DEPUTY SPEAKER: The question now is that the words proposed to be omitted stand part of the question.

Mr CHRISTENSEN (Dawson) (15:12): Previously I mentioned the Deloitte Access Economics report, which was prepared on the likely impacts of the new scheme. According to Deloitte, the expected shipping costs that will increase will amount to between 10 per cent and 16 per cent. That report was actually commissioned by a group of dry bulk shipping users. In their submission to the House of Representatives Standing Committee on Infrastructure and Communication shipping reforms inquiry, the group said that they were concerned that this amendment and this bill could have major implications for the competitiveness and that the government was continually dismissing their concerns, and I suppose that that is a very serious charge against the government.

I want to quote from the submission that the Australian Dry Bulk Shipping Users made to the Senate. Under the section referring to the Deloitte Access Economics study they state:

A number of dry bulk shipping users gathered together following the public release of the first draft of the Coastal Trading Bill 2012 in December 2011 as they were sufficiently concerned that the Bill could have major implications for their competitiveness.

The group commissioned Deloitte Access Economics to undertake a general computable equilibrium model analysis of the economic impacts of the reforms using actual data provided by the companies.

The report which examined the impact of the replacement of foreign vessels with domestic vessels on the coast, was made publicly available in March 2012.

Headline findings include:

- That changed licensing arrangements proposed will lead to an increase in the cost of coastal shipping and, by extension, freight rates of up to 16% if domestic vessels replace foreign vessels.

- A variety of factors, such as the competitiveness of downstream industries and the scope for import competition, suggest that these cost increases are likely to be borne predominantly by the users of coastal sea freight. Not only will this diminish competitiveness, it will also impact negatively and potentially significantly on future investment decisions.

- The precise magnitude of the long term economic impacts is difficult to determine given the myriad of factors at play. However, the modelling undertaken here suggests that, in net present value terms, the aggregate impact on gross domestic product over the period to
2025 will be between -$242 million and -$466 million. The associated loss of employment over the long term is, in net terms … 200 full time equivalent employees—
as it is assumed the labour market will remain buoyant and most of the displaced labour will be absorbed in other sectors.

… in the immediate term, the displacement is considerably higher, with an estimated peak loss of 570 [full-time equivalent] employees.

These job losses will mainly be in regional Australia. Surprise, surprise! That submission showed the aggregate impact on gross domestic product over that period to 2025 being upwards of almost $½ billion and 570 full-time equivalent jobs lost, and as usual regional Australia is forecast to bear the brunt of job losses as a result of this government's policy.

If we really want to look at what effect this legislation will have, I would say let us not focus on the benefits to the MUA—the Maritime Union of Australia—let us look at how this will benefit, or rather not benefit, exporters and industry. Let us look at the impact this is going to have on the nation and its economy. The Business Council of Australia also made a submission to that inquiry. They highlighted their concern:

… that aspects of those reforms could lead to higher costs to users and poorer service quality, thereby harming the competitiveness of shipping users.

While also quoting the Deloitte report about costs increasing by up to 16 per cent and lower employment, the Business Council points out that the government's own regulatory impact finds:

… worsening economic impacts as foreign vessels are replaced with higher-cost Australian ships.

Sugar is a very important industry to my electorate. It is the second biggest after mining and manufacturing relating to the mining industry. Right up and down the coastline, whether it be in Mackay, Proserpine, Ayr or Home Hill, sugar plays an important role in the economy and an important role in creating jobs. So I was very interested to read what Sugar Australia said in their submission to the Senate Economics Legislation Committee, which also included the forecast cost increases reported by Deloitte. Sugar Australia, which is a joint venture between Sucrogen Australia Pty Ltd and Mackay Sugar Ltd, ship about 300 kilotonnes per annum of raw sugar from North Queensland to their refinery in Yarraville, Melbourne. Let us have a look at what Sugar Australia says will happen under this legislation and its associated increased shipping cost. In their submission they state:

As an internationally traded commodity, it is difficult or not possible in the majority of cases to pass on any additional costs within the business.

… … …

In this case it is likely that the cheapest supply chain option will be pursued which could involve importing raw sugar from Asia to Melbourne and exporting raws from North Queensland.

But the North Queensland sugar issue is about more than just raw sugar and processed sugar—it is also about molasses and bioethanol. Sucrogen Australia, which also put a submission in, reported on likely impacts to their secondary products in their supply chain, this being molasses and bioethanol. They state that they currently manage the single desk entity, Australian Molasses Trading, and describe the molasses business as 'highly trade exposed'. They say that this bill will have the effect of:

… driving up the cost of coastal shipping—

and it—

will force a potential rethink of where the product is sold. All Australian molasses could be exported into existing global markets in preference to supplying domestic markets. This could cause the Australian market to import molasses in cheaper international vessels. There is no benefit to the
shipping industry from this legislation if higher coastal shipping costs encourage a change in trade flows from domestic to international.

They go on to bioethanol and say:

Under recently changed market conditions, Sucrogen Bioethanol will re-start coastal transfers of ethanol from North Queensland to Melbourne displacing imports.

That is a good thing!

The requirements of the trade can vary significantly depending on several market variables, and may revert to imports again.

This bill that we are discussing today actually seals the deal because they will have to apply for temporary licences to move the bioethanol, not knowing whether they will need to use it or not.

The differentials for moving cargo from North Queensland versus imports from Brazil they say are very marginal. In other words, the legislation for these trades is self-defeating. That is their words, 'self-defeating'. In this circumstance there is no point in being forced to apply for a temporary licence, it is just value destroying. I think that if a term sums up this bill that would be it—value destroying. I can tell you what is going to happen for the sugar industry. It will not be the end buyer that pays the price—as the submissions from Sugar Australia and Sucrogen have outlined—because sugar has got pretty much a fixed price in the international market. When you are selling domestically with a refined product you get a higher price. When you have to sell it overseas because the cost impacts are forcing it to go that way, it will not be Sucrogen, it will not be the sugar traders, it will not be the shipping companies that are paying that additional cost, it will be the cane farmers. It will be the cane farmer who is squeezed effect in and it will be his workers—he might have to shed one or two of them—and this is the impact that this Labor bill is having on my electorate.

We are at a point where we are about to have the carbon tax that will slug that industry to the tune of $80 million over the next five years to reach, that figure quantified by cane growers. When we have all these additional price impacts, for the government to be proposing a bill that is going to drive up the cost of shipping, which is going to destroy domestic markets that pay better for the sugar industry, it is certainly not something that I can support in this place. It is something that Labor needs to hang its head in shame on. This industry has been through more than enough. It has suffered corrupt world markets and the introduction of rare diseases known as smut and orange rust, and it has gone on and on, getting clobbered year after year. It remains in existence and is finally doing well now, but these bills set cruel prices and cruel incomes for cane farmers right up and down the Queensland coastline. Again I say that I cannot support these bills in this place.

Mr SYMON (Deakin) (15:22): I speak against the amendments moved by the Leader of the Nationals, but I do speak in support of the Shipping Reform (Tax Incentives) Bill 2012, along with the Shipping Registration Amendment (Australian International Shipping Register) Bill 2012, the Coastal Trading (Revitalising Australian Shipping) Bill 2012, the Coastal Trading (Revitalising Australian Shipping) (Consequential Amendments and Transitional Provisions) Bill 2012 and Tax Laws Amendment (Shipping Reform) Bill as moved by the minister. Together these bills form the government's legislative package, titled Stronger Shipping for a Stronger Economy, which delivers on Labor's 2010 election commitment to revitalise Australia's shipping industry.

These bills are designed to turn around the decline in Australia's shipping fleet by introducing a zero tax rate for Australian
shipping companies. In addition to this, there will be accelerated depreciation of vessels, with a 10-year cap on the effective life of those vessels rather than the current 20-year cap. I think that it is interesting to note that the average age of Australia’s shipping fleet is now almost 20 years. That should be compared with around 12 years for the rest of the world.

This bill also provides for both rollover relief from income tax if a vessel is sold and an exemption from royalty withholding tax for the lease of ships. There is also a seafarer tax offset for salary, wages and allowances that are paid to Australian resident seafarers who undertake voyages on qualifying vessels, providing that the seafarer is employed on voyages for at least 91 days per year with their company. Importantly, this provision will remove the current disincentives for companies employing Australian workers in the shipping business.

There will be additional requirements placed upon shipping companies accessing the income tax exemption. For instance, they will be required to comply with a mandatory training requirement for crews, and I think that is very important in an industry such as the maritime industry where it is not that easy to get in, for a start, and where it is very hard for many people to undertake training. Having some sort of lever there through the tax system is always going to be a great way to make sure that more people do get the opportunity to work in that industry. Companies that access the tax exemption will also have to show a substantial proportion of commercial, technical or strategic operations in addition to the crew management based within Australia.

As has been said, today there are only 21 Australian-flagged vessels left, and only four of those operate internationally. Yet in 1996, when the Howard Liberal government came into office, there were 55 Australian-flagged vessels operating. The Howard government tripled the number of trading permits issued to foreign flag crews from fewer than 1,000 in 1999 to around 3,000 in 2007-08. Whilst other countries around the globe were rebuilding their shipping industries, the Howard Liberal government was abandoning Australia’s own shipping industry. By the year 2008, less than one half of one per cent of Australia’s export trade was being carried by Australian ships. That is one half of one per cent of the 834 million tonnes of international cargo that came into or left Australia that year in over 4,000 ships and another 52 million tonnes of cargo that was moved between Australian ports.

I found an interesting article from Paddy Crumlin, the MUA National Secretary, published in last year’s autumn-winter Maritime Workers’ Journal. In it he quotes from a report prepared for the government in 2008 by Meyrick and Associates. It estimated:

… that a 5% increase in the use of Australian-flagged vessels on the main international bulk trades could result in an aggregate Australian fleet increase of some 20 vessels, rising to almost 40 vessels with a 10 per cent share increment and 75 vessels with a 20 per cent increment.

Of course that is a long way from one half of one per cent. Meantime, countries in the rest of the world such as the UK, Germany, the Netherlands, France, Japan and South Korea have embarked on successful programs to build their nations’ shipping industries.

As we all know, Australia is an island and we cannot survive without shipping to move our exports for sale and for bringing goods for importers for local consumption. Our ports currently manage around 10 per cent of the world’s entire sea trade with a value of $200 million in cargo moved every year. In the next two decades it has been predicted that trade at Australian ports will triple, and
there should be no reason that Australian-flagged vessels and Australian seafarers are not part of that staggering growth.

Reducing the costs for Australian ships to operate would increase their competitiveness against foreign-owned ships and these bills help create a level playing field for Australian shipping. That is not only for international trade but also for our domestic shipping where currently 30 per cent of our coastal cargoes are being carried on foreign vessels, comprising some 470 ships at the present time.

The establishment of the Australian International Shipping Register, along with the establishment of a seafarers bargaining unit and the introduction of other important reforms for manning and safety standards, will enable Australian shipping companies to compete on this level playing field internationally by removing the cost disadvantages that I have described. Provisions such as mixed manning will require that international registered vessels have a minimum of two Australian crew, preferably the master and the chief engineer, where currently there is no requirement. The Australian International Shipping Register will also implement competitive pay rates and conditions that are consistent with the Maritime Labour Convention including the provision of worker's compensation. Ship owners will have to take out insurance cover for their workers to at least the level provided for in the International Transport Workers Federation Uniform Total Crew Cost Collective Agreement. Conditions such as these will create a safety net for international seafarers employed on ships that are on the register, and, importantly, ships on the general register will not be able to avoid Australian domestic legal liabilities by joining the international register as there is a requirement in the bills that vessels must be predominantly engaged in international trading and that they only have limited access to coastal trading. These bills will also amend the Occupational Health and Safety (Maritime Industry) Act 1993 so that there is no doubt that the act will apply to a vessel engaged in coastal trading, whether that is a vessel with a general licence, a temporary licence issued under the Australian International Shipping Register or an emergency licence issued under either register.

These bills have a long history. They have not been around as bills for all that long, but the issue has certainly been around for a long time and was, indeed, dealt with in the last parliament by the House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government. That committee is no longer in existence—it is now the House of Representatives Standing Committee on Infrastructure and Communications, and I am a member of it—but it did produce a report called *Rebuilding Australia's coastal shipping industry* following an inquiry into coastal shipping policy and regulation. That was back in October 2008.

There were many key policy recommendations in that report which, I am very pleased to say, these bills do pick up and address. The policy recommendations such as reform of part VI of the Navigation Act 1912, the Navigation (Coastal Trade) Regulations 2007 and the Ministerial Guidelines for Granting Licences and Permits to Engage in Australia's Domestic Shipping now appear in the legislation before the House. The implementation of a single national approach to maritime safety for commercial vessels was also recommended and, again, that is in this package of legislation. The committee report also recommended the introduction of an optional tonnage tax regime in Australia that is linked to mandatory training requirements.
What we see in the bills before us actually goes beyond that: rather than having a tonnage tax, the proposal is for a zero tax rate, which means less red tape and is a world-leading proposition.

The 2008 report also called for the reintroduction of accelerated depreciation arrangements, which most certainly is in these bills. That report also called for the creation of a national port development plan to address current and potential capacity constraints in Australia's ports, and that was done with the release of the National Ports Strategy in January 2011. There was also a recommendation for a review of section 23AG of the Income Tax Assessment Act, which has been dealt with in these bills before the House, and a recommendation for the creation of a reform implementation group to implement any future Commonwealth government reforms, which has been done as part of the consultation on shipping reforms, with the three groups formed focusing on taxation, workforce and regulation.

These bills are very wide-ranging for the industry. They will cover the many people currently working in the industry and the people who I certainly hope come to work in the industry in the future. Although there is much noise from the opposition about many of the points in these bills, I would take anyone back to the October 2008 report to actually compare what was recommended then and what is being introduced now. As I have said during my speech, so many of those recommendations have been picked up and addressed. On that note, I commend the bills to the House.

Mr FLETCHER (Bradfield) (15:32): I am very pleased to speak on the Coastal Trading (Revitalising Australian Shipping) Bill 2012 and related bills in this package of five bills. This is a package which is full of good intentions. This package is supposedly going to counter a significant decline in the number of Australian-registered vessels. The explanatory memorandum notes that since 1996 the number of Australian-flagged trading vessels has declined from 55 to 22 and that only four Australian-flagged vessels are trading on international routes. The explanatory memorandum makes it clear that it is the government's intention to reverse this trend, and the set of policy measures which the government brings forward to give effect to its lofty objectives is truly comprehensive. I would not say it is good, but I would say that it is comprehensive.

Let us look at the raft of measures which are included in this package. There are some generous tax incentives, giving both the industry and its employees tax advantages which are not available to most Australian industries and workers. There is a detailed, prescriptive, intrusive, microregulating licensing regime for foreign ships—just the kind of thing that this government absolutely loves. It goes on for page after page with all sorts of detailed requirements dreamt up by a set of Canberra based bureaucrats in a frenzy of self-satisfaction that they know better than the industry what is necessary when it comes to shipping. Also, we cannot forget that other little favourite which is slipped into this bill—foreign ships in Australian waters will now be subject to the Fair Work Act.

This is a package which is good news indeed for the government's preferred stakeholders, such as the Maritime Union of Australia. But the measures embodied in these five bills represent a truly terrible deal for users of coastal shipping and a truly terrible deal for all Australians outside the cosy club of beneficiaries of this complex web of new arrangements.

In the brief time I have available this afternoon I will make three points. The first
point is that this package of measures is likely to very significantly increase costs to users of coastal shipping and that that cost burden, in turn, will be passed through our economy. The second point is that the claimed benefits of this package depend critically upon a compact with unions, including the Maritime Union of Australia. Where is that compact? It has not been concluded. It has not been provided to the House. The third point is that there is very little reason to believe that the government's lofty objectives in bringing forward this package of bills—that is, the objectives of revitalising the Australian shipping industry—are likely to be met. There is very little reason to believe that at all.

I turn firstly to the question of the impact of this package of measures on the costs that are paid by the users of coastal shipping. We first need to understand what lies at the core of this public policy scheme. At the core of this scheme is a new licensing regime for coastal shipping in Australia. Today there is a system by which non-Australian registered ships can be granted permits to operate both single and continuous voyages in Australian waters. Once the bills before the House pass into law, the existing regime will be replaced with a new regime under which Australian-flagged vessels have unrestricted access to coastal trade and foreign vessels can be granted a year-long temporary licence to operate in Australian coastal waters. What is the likely impact of this set of measures? In answering that question, we must first recognise that today foreign vessels operating on single and continuous voyage permits comprise around 30 per cent of domestic coastal shipping in Australia. Accordingly, if there are onerous new restrictions imposed which make it harder for foreign registered ships to operate in Australian coastal waters—which make it harder for such ships to carry freight for Australian customers between one Australian port and another—it is very likely that shipping costs are going to increase.

As a number of members on this side of the House have pointed out, Deloitte Access Economics has prepared a very insightful report on the likely impact of these changes to the shipping licensing regime. The report was prepared on behalf of the Cement Industry Federation and a range of other industries which rely on bulk sea freight. It is instructive to note that these include a range of agricultural and resource industries—industries in which Australia has a competitive advantage, a competitive advantage which is going to be put at risk if a major cost input, the cost of freight, is increased. The report from Deloitte Access Economics predicts that shipping costs and freight rates will increase by up to 16 per cent as a result of the set of measures the House is considering this afternoon. That is a view which has also been expressed by the Australian Industry Group and by CSR Ltd. We have similarly had concerns expressed by the National Bulk Commodities Group and the Cement Industry Federation.

What is going on here is pretty simple. This is a set of measures which is going to restrict competition in Australian shipping. The consequence of that, in turn, will inevitably be an increase in prices to customers seeking to purchase shipping services to have bulk goods shipped between Australian ports. Already it is cheaper to ship between Asian ports and Australia than it is to ship between two typical Australian ports, and these new arrangements are only likely to make the situation worse.

Let us just examine why the new arrangements are going to reduce competition and make it harder for foreign ships to operate in the Australian coastal shipping market. There are detailed,
prescriptive, onerous new rules. These require parties that want to obtain a temporary licence to carry out a minimum of five voyages in the year. So the owner of a ship wishing to carry out a smaller number of voyages in Australian coastal waters is now, by law, prevented from doing that.

The new arrangements for temporary licences are hopelessly complex, extraordinarily bureaucratic and, in practical terms, very close to unworkable. Those who seek a temporary licence are required to give details about their planned voyages in advance, and the details required include the number of voyages, the volume of cargo and the ports to be visited. There is very little flexibility permitted in complying with these requirements and, as we have seen, because of the minimum requirement of five voyages a year, smaller operators will be precluded. Of course, those who are considering complying with this detailed new set of requirements do not yet know what fees they will be required to pay for these temporary licences.

These are all issues which inhibit the competitiveness of foreign ships operating in the Australian coastal shipping market and, in turn, are likely to substantially increase domestic shipping costs. Why is this happening? It is a protectionist measure which is going to reduce competition. It serves the interests of certain stakeholders, including the Maritime Union of Australia, but it is not in the interests of customers—of those who use coastal shipping services to freight bulk goods between one port and another—and the extra cost burden that customers will face will be passed throughout the industry.

That brings me to the second point I want to make. Where is the compact between the unions and the industry which we are told is going to guarantee the productivity benefits inherent in this package? If there were a prize for mug of the year, it would surely have to go to a government which handed out generous wage increases to a notoriously militant union like the Maritime Union of Australia but did not require in advance the details of those productivity gains to be negotiated, finalised and signed. But that is what this government has done. It claims that there will be productivity agreements delivered. Indeed, the minister said in his second reading speech:

We are committed to aligning Australian productivity practices with the best in the world. To do this, we will need a compact between industry and unions.

Well, Minister, if you believe you are going to get a productivity benefit here, then I've got a Harbour Bridge I'd like to sell you, because the track record of the Maritime Union of Australia when it comes to productivity improvements is absolutely hopeless.

The Maritime Union of Australia is amongst the main authors of Australia's appalling position on waterfront productivity—the very appalling performance that led to the dispute between Patrick Stevedores and the MUA in the late 1990s and, more recently, the MUA have been up to their old tricks. In the last reporting period to June 2011, there has been a significant decline in productivity and, coincidentally, there have been ongoing negotiations between the MUA and stevedoring companies over a new industrial agreement and, as part of the MUA's negotiating techniques, it seems that there were some unofficial limits imposed on crane rates during this period.

The minister might be a mug, but there is no reason for the parliament, on behalf of the people of Australia, to be mugs as well. When we are being asked to approve these
bills, under which generous financial benefits will go to the Maritime Union of Australia and its members, and there is no deal in place, locked in, to secure the promised productivity benefits, then on this side of the House we say, 'This is a bad deal; come back to us when you've got the deal signed but, before that, don't waste our time.' Let me come to the last point I want to make in the brief time that is available to me, which is: what degree of confidence can we have that the lofty objective of the government in bringing forward this package of bills is likely to be met? That objective is to revitalise the Australian shipping industry, but the government has given very little evidence about how that revitalisation is actually to be achieved. In their comments on the bills some of the key stakeholders have expressed significant doubts about the way the bills are framed. Shipping Australia had this to say:

... some of the provisions, at least in the Coastal Trading Bill, 2012 are confusing and, in our view, require substantial amendment to meet what we understand to be the objects of the Bill.

That is a rather politely phrased way of expressing a substantial degree of scepticism that the measures contained in this package are going to achieve the stated objectives. Only the credulous or the economically illiterate would think that the way to boost an industry's performance is to impose detailed new regulatory restrictions and to force operators to pay generous wage increases in disregard of competitive conditions.

This is not a package of measures the primary objective of which is to stimulate the shipping industry; this is a package of measures which is essentially protectionist. It is troubling that there is very little indeed, in the explanatory material associated with this package that the government has brought before the House, which talks about the likely impact of this set of measures on customers—those companies which are using Australian coastal shipping services and seeking to have their bulk freight carried by a shipping company between one port and another in Australia. It is very hard to avoid the conclusion that the most likely outcome of this package of measures will be higher prices and poorer service for customers. To a significant extent, product which is today carried by ship will be forced onto alternative modes of carriage, including rail and road, and higher costs will flow throughout the broader industry.

We often hear beneficiaries of protectionist legislation justify it as something which boosts domestic industry. In reality, experience teaches us that protectionist measures deliver higher costs, lower productivity and an inefficient industry, and that is what these measures are very likely to do.

Mr KELVIN THOMSON (Wills) (15:47): I rise to speak on the Shipping Reform (Tax Incentives) Bill 2012 and associated bills in support of the Australian government's Stronger Shipping for a Stronger Economy legislative package. The government's Stronger Shipping for a Stronger Economy legislative package delivers on the government's 2010 election commitment to revitalise Australia's shipping industry. In the past decade the Australian fleet has gone from 55 ships to 21 ships, with only four operating on international routes. In a country where 99.9 per cent of our trade is moved by ships, there will soon be no fleet to revitalise. We need to act now or we will not have an industry left at all.

The taxation elements of this reform package are aimed at revitalising the industry by making it more globally competitive and attractive to investors by providing a zero tax rate for Australian shipping companies, provisions for accelerated depreciation of
vessels via a cap of 10 years on the effective life of those vessels, rollover relief from income tax on the sale of a vessel, an employer refundable tax offset in relation to seafarers, and an exemption from royalty withholding tax for payments made for the lease of shipping vessels. The objective of the coastal trading bills is to provide transitional arrangements and promote a viable shipping industry that contributes to the broader Australian economy, to facilitate the long-term growth of the Australian shipping industry and to enhance the efficiency and reliability of Australian shipping as part of the national transport system.

Within the context of these shipping reform bills, I would like to express some concern over the recent decision in the Federal Court relating to the Allseas Construction SA v Minister for Immigration and Citizenship case. That decision determined that workers on pipe-laying vessels operating in the Australian exclusive economic zone do not have to obtain immigration visas or permits. The conclusion of the court was that the Migration Act is concerned with the entry into Australia of persons on board resource installations rather than with the entry of the vessels per se. This is reflected in the act, which provides that any person on board a resources installation shall be deemed to have entered Australia at the time at which the installation is attached to the Australian seabed. But the workers on the Lorelay and Solitaire are not on board the pipeline; they are on board the vessels, which are not resources installations and therefore not part of the migration zone.

Essentially, what the shipping company has succeeded in doing is taking advantage of the Howard government legislation which excised offshore areas from Australia's legal jurisdiction. The consequence is that vessel operators could utilise foreign personnel on many, if not all, of the vessels operating in the oil and gas sector. This is a very serious threat and it seems to me that additional amendments to the proposed Shipping Registration Amendment (Australian International Shipping Register) Bill 2012—either in this suite of bills or further on down the road—may be necessary to address the ramifications of this Federal Court decision.

The bill provides for the establishment of a new Australian International Shipping Register, its operation, administration and seafarer employment conditions. The objectives of the Australian International Shipping Register are to facilitate Australian participation in international trade, provide an internationally competitive register to facilitate the long-term growth of the Australian shipping industry and promote the enhancement and viability of the Australian maritime skills base and the Australian shipping industry.

Australia's rapidly expanding commodity trade is driving an increase in the shipping task. Our sea transport task is now the fourth largest in the world. Over the last 20 years the Australian maritime industry has undergone a radical transformation. The home-grown, Australian owned industry has changed into an industry featuring a large proportion of foreign based maritime players. Reflecting the globalisation in many other sectors of the economy, the Australian maritime industry is now largely foreign owned. Australian involvement in our international trades is miniscule and foreign groups are in control of the remaining Australian manned vessels. The creation of this register will enable Australian shipping companies to compete on a level playing field internationally by removing the cost disadvantages experienced by Australian registered ships when competing in the global market.
Key elements of the register are mixed manning; international registered vessels must employ a minimum of two Australian crew, preferably the master and the chief engineer; international employment terms and conditions including workers compensation, internationally competitive pay rates and conditions, consistent with the Maritime Labour Convention and other international labour treaties; access to tax exemption and other tax incentives; the same environmental safety and O&H&S standards will apply to AISR vessels as apply to first register vessels; and that a seafarers bargaining unit must be formed for the purposes of negotiating terms and conditions for seafarers on international voyages; and provision that those collective agreements must form part of and cannot be limited by seafarers’ individual work agreements.

These reforms have been through a long and thorough process of consultation and review. Over the last four years there has been extensive consultation including a bipartisan parliamentary inquiry, which made unanimous recommendations in favour of reform. There has also been a discussion paper, three industry roundtables and two exposure drafts of the proposed legislation have been released for comment.

One of the objectives stated in the bill is that the Australian International Shipping Register aims to promote the enhancement of the Australian maritime skills base. The special provisions in the bill relating to the Australian International Shipping Register will require that there must be two Australian nationals or residents in senior officer positions on the ship. There is, however, no requirement that the vessels carry any trainees. I believe that an additional condition should be added, inserting a training obligation similar to the training obligations on vessels under the general register. This trainee requirement should specify officer trainees as a condition of the Australian International Shipping Register, as Australia's maritime skills shortages are greatest in the area of officers, marine engineer officers and deck officers.

Under the Shipping Registration Amendment (Australian International Shipping Register) Bill 2012 there is an obligation to register Australian owned ships. However, foreign owned ships are not required to register in Australia. The recent Federal Court decision shows that foreign flag vessels operating in Australia's exclusive economic zone are beyond many of Australia's laws. These vessels could exploit the Allseas decision of the Federal Court, to which I referred earlier in my remarks.

I understand that some operators of vessels in the offshore oil and gas sector already take the view that they can use foreign workers on these foreign flag vessels without any requirement to obtain anything more than a holiday visa or transfer through an Australian airport. That is to say, that they can work without even having a subclass 457 visa. We should seriously consider the idea that vessels which operate in Australia's exclusive economic zone for periods greater than 30 days should be required to register with the Australian general registry under the shipping registration bill. That is not unlike motor vehicles in Australia, which can be registered in one state but which are not required to register in another state if they are passing through or are there for a holiday. But if they go there for an extensive period and the owners of the motor vehicles are relocating to another state it is expected that they register in the new state. We could achieve this by inserting a new section for foreign ships operating continuously in Australian waters. This amendment would not apply to ships transiting Australian waters either on international trading voyages or on innocent passage.
A large number of foreign vessels are operating in Australian waters which are not engaged in international trading voyages nor engaged in interstate trading voyages. The clearest example of this category of vessels is the offshore oil and gas industry fleet. In this booming sector a large majority of vessels are already foreign flag vessels. At any time there are up to 200 vessels servicing the offshore oil and gas industry in Australia's exclusive economic zone. The majority of these vessels—over two-thirds, according to the Australian Institute of Marine and Power Engineers—are foreign flag vessels. These vessels spend the majority of their time in Australia's exclusive economic zone. Indeed, some of them have spent years in Australian waters.

The Australian Institute of Marine and Power Engineers has made a number of submissions to the federal government over the last five years urging reregulation of the Australian maritime industry. I note some people will call this protectionist, but that is too bad. We should be about ensuring that Australian standards are maintained within the Australian economy. It gets down to the simple proposition that, whilst operating in Australia, foreign companies should comply with Australian laws. Current legal structures applying to the Australian maritime industry do not deliver this objective. In the maritime industry the concept of the flag of a vessel is a barrier to the effective application of Australian law. Foreign flag vessels can avoid some of the laws that apply to Australian flag vessels. That is why the Australian Institute of Marine and Power Engineers continues to object to foreign flag ships operating continually in Australia's exclusive economic zone. That is why the Australian Institute of Marine and Power Engineers has called for all vessels operating continuously in Australia's exclusive economic zone to be required to be Australian flagged.

I strongly support the bills before the House. I share the concerns of the Institute of Marine and Power Engineers. I support their recommendations to strengthen these laws to cover foreign operators who may now be exploiting a loophole, created by the Howard government's 2005 exclusion zone legislation.

I also want to make some comments in support of those of the member for Reid, John Murphy, which he made on 9 May, about standards of training for Australian marine engineers. The member for Reid is a very courageous MP, who is not afraid to say what he thinks. I always find he has something of consequence to say. He pointed out to the House concerns that had been raised with him and, indeed, these concerns have been raised with me about the reduction of standards that have been proposed in draft Marine Orders Part 3, circulated in late 2011. One effect of the proposed changes is that the training time for marine engineers will be reduced from the current 36 months to 12 months—that is, from three years to one year. There are serious concerns that this period is inadequate to produce a highly skilled technical officer with the understanding and expertise to deal with the complex systems of modern vessels. He referred to another concern regarding draft Marine Orders Part 3:

… entry into the marine engineering training courses would be open to persons who do not possess the prerequisites currently required for new entrants. These prerequisites are either HSC-level passes in English, mathematics and physics or relevant trade qualifications. In the area of theoretical knowledge, of particular importance to marine engineers are, of course, the subjects of mathematics and science, including electrotechnology and perhaps steam propulsion systems.
The third concern that he noted related to the proposed deletion of the current mandatory requirement to demonstrate practical proficiency by successfully completing an oral examination, conducted by a qualified examiner of marine engineers. He said:

Deletion of the oral examination would be a retrograde step, as it could allow a reduction of the training process to end in the granting of a certificate of competency to a person who may not actually be competent as a marine engineer in any practical sense. Therefore, there should be no weakening of the current regulation that a certificate will not be issued until the applicant has passed an oral examination conducted by an AMSA examiner.

I want to place on record my support for those remarks.

Finally, I note that the opposition are opposing these bills, and I am really disappointed—although, in some respects, not surprised about their doing this. When the House inquiry reported on these bills, the member for Hinkler stated:

… the Liberal and National parties are keen to support the Australian shipping industry. It must play an increasing role in our domestic freight task.

Yet they oppose these bills—bills which will significantly reduce the cost of Australian shipping. These bills do not provide a subsidy to Australian shipping. They do not close the coast to foreign ships. What these bills do is reduce the costs for Australian ships to operate and in turn increase their competitiveness against foreign ships. They go a long way towards creating a level playing field for Australian ships to compete against foreign ships.

The opposition seem to be determined to oppose the chance for Australian ships with Australian workers competing on a level playing field against foreign ships to carry Australian goods on the Australian coast. The opposition would appear to be in favour of flag of convenience ships with crews from Third World countries carrying Australian goods through some of our most treasured marine environments. If this is standing up for Australian jobs and being proud to be Australian, it sure is a funny way to show it! I commend the bills to the House.

Mr TUDGE (Aston) (16:02): I rise to speak against these shipping reform bills, the Shipping Reform (Tax Incentives) Bill 2012 and related bills. I do so because they are fundamentally protectionist in nature and will increase the cost of shipping, which will then flow through to almost every product in our society. It is important that we take a very close look at these five bills in front of us which together comprise the shipping reform bills. It is important because sea transport is a large and rapidly growing industry. It carries over 99 per cent of international cargo by weight and about 75 per cent by value, and about a quarter of Australia’s interstate trade is done via ships. This is supposed to grow exponentially. Indeed, it is due to double by 2020 and treble by 2050. It is also important because coastal shipping flows through to everything we consume and nearly every business transaction that we have on an island continent.

Australia has the fourth largest shipping task in the world and it impacts nearly every residence across Australia. So this is an important piece of legislation not just for those who are directly impacted by shipping and use shipping but for every Australian, because ultimately the costs of shipping flow through to Australians. At its heart, are changes to the way foreign carriers apply for and are granted permission to carry coastal cargo around Australia. In essence, it creates a new licensing regime. Today there is a system in which non-Australian registered ships can be granted permits to operate single and continuous voyages in Australian
coastal waters. This is to be replaced with a new regime under which Australian flagged vessels will have unrestricted access to coastal trade and foreign vessels can be granted a year-long temporary licence to operate.

The intent of the legislation is to stimulate growth in the number of Australian ships on our coast and to maximise the use of Australian flagged vessels. We have no concern about trying to support the Australian shipping industry but we believe that it should not be done at the cost of efficiency and not where it brings extra impost to Australian businesses, which are already struggling against international competition.

My key issue with this legislation comes from its central objective, which I believe is the wrong objective for these shipping reforms. The Minister for Infrastructure and Transport in announcing the package in September outlined the core objectives of these reforms. He said, 'What we are doing is creating an economic and regulatory environment that will revitalise and sustain growth and productivity' in our shipping industry. As I said, we of course support our shipping industry, but the objective should be broader than just sustaining and growing the Australian shipping industry. Rather, the reforms should be governed by the goal of raising the efficiency of the sector overall and ensuring globally competitive costs of transporting Australian goods by ship. That should be the goal. It is a critical distinction. The goal of the government is all about the Australian shipping industry alone and ensuring its growth; whereas, we are concerned about the efficiency of the overall Australian economy and therefore ensuring that there is an efficient shipping industry overall where there is fierce competition between Australian providers and international providers.

By the government taking this narrower objective for these bills, they have essentially made them protectionist. What this protectionism does—as it nearly always does—is lead to higher costs. They do this by adding huge complexity and compliance when using foreign shipping companies. For example, the new scheme requires international parties who are seeking a temporary licence to carry out a minimum of five voyages in the year. This excludes from the market suppliers wishing to carry out, for example, a single coastal voyage—perhaps as part of a longer voyage from a foreign country to Australia and back. It also imposes a significant compliance burden as it requires those seeking a temporary licence to give details about their planned voyages well in advance. This will mean that businesses will become less likely to use international ships, because of the uncertainty of the compliance regime and because the additional costs are too great.

It may well be that the Australian shipping industry will get additional business as a result of this legislation. But it will be at the expense of all the customers who use the shipping industry, and all of their customers. The government did not try to quantify the cost of this reform package to Australian businesses who use shipping, but the Australian dry-bulk shipping users did try to quantify it. Indeed, they commissioned Deloitte consulting firm to examine the impact of these bills from a cost perspective.

What they found, as a number of coalition members have said previously, is that these reforms will lead to an increase in the cost of coastal shipping of 16 per cent. They suggest that this cost will be borne by the users of coastal freight. They found that the impact on our GDP over the period to 2025 will be between negative-$242 million and negative-$466 million. It is a very clear negative on our GDP. Of course, if you increase the costs
of shipping you also increase the costs of transport, and that flows through to every businesses and every family who uses the products that use shipping. According to Deloitte, it will also cause the loss of 570 workers across Australia, due to the increased costs of this shipping.

This will flow through to the entire economy, as I said. If you increase transportation costs—whether it be road transportation costs by putting a tax on diesel or whether it be shipping transportation costs through the protectionist measures which are inherent in these bills—then those costs will flow through to the entire economy. It will particularly hit our manufacturers, and they will be hit at a time when they can least afford it. I have a manufacturer in my electorate, a very successful one to date, who is extremely concerned about the impact of these shipping reforms. The manufacturer is Veyance Belting Pty Ltd, which manufactures huge conveyor belts which are used in all sorts of industrial applications, including in the mining industry. They employ about 145 workers directly and about 300 workers indirectly. Their major production site is in my electorate in Bayswater. Mr David Stone, who is the General Manager of Veyance Belting, says that these changes could put his entire business in jeopardy. He says:

... the proposed changes in legislation which will threaten our new press project and future viability for manufacturing in Victoria. This change will force Veyance to road freight all of our rolls of conveyor belting to the Pilbara Iron Ore region which will dramatically (40% +) increase our freight bills. This increase could tip us over the edge in maintaining our competitive advantage from overseas manufacturers.

That is the impact that this legislation will have on the ground for manufacturers across our communities. The additional cost for Veyance Belting and all of the other manufacturers who rely on the shipping industry comes on top of everything else which this government is doing to make it harder for manufacturing. Of course we know about the carbon tax, which is coming our way on 1 July, which operates like a reverse tariff. It will make it more expensive for our manufacturers to produce goods but it will not make the products of their international competitors more expensive when they import them into our country. We know about the extra regulations which this government have put on businesses. And of course we know that they have made the industrial relations regime less flexible for businesses. Increasing the cost of shipping transport is just another nail in the coffin for our manufacturing industry.

We should be doing everything we can for our manufacturers and for other businesses at this moment—not adding to their costs. Of course, if the costs to a business or a manufacturer increase, then those costs will flow on to its products and therefore to consumers. So this bill is also going to add to cost-of-living pressures at a time when consumers and families across Australia can least afford them. They know that electricity prices have gone up by 66 per cent over the last five years. They know that water prices have been going up astronomically. They know that the costs of gas and child care have been going up way in excess of the rate of inflation. The last thing they need is additional cost-of-living pressures put on them through this legislation.

These are bad bills. They are protectionist in nature. They are a sop to the MUA, which is the major beneficiary of these bills. They will increase costs to all the businesses in Australia who use shipping transportation, and they will increase costs to Australian families. They should be firmly rejected. At the very least, these bills should be put to the Productivity Commission so that their impact
can be examined before they are taken any further.

Ms RISHWORTH (Kingston) (16:14): I am very pleased to rise today to support the Shipping Reform (Tax Incentives) Bill 2012 and the other four bills that make up the government's Stronger Shipping for a Stronger Economy legislative package to revitalise Australia's shipping industry, and also to deliver on our 2010 election commitments. These reforms have been long awaited by industry as they will help the Australian shipping industry to become more competitive and will open up a lot more opportunity. Importantly, they will encourage the development of a vibrant Australian maritime industry.

The previous speaker talked about how this package was pro-union. This is not pro-union, and it is not pro-business; this is pro-Australian. It is pro-Australian to encourage Australian workers and Australian industry. I am really at a loss to understand why the previous members would not be pro-Australian jobs and pro-Australian industry.

Australia is an island continent surrounded by sea, with most of the population centres plotted along the sea line, which makes it no surprise that it is dependent upon sea trade. We are a trading nation. Indeed, 99.9 per cent of our trade is moved by ships. However, the involvement of Australian companies and Australian workers in this shipping trade has been in decline. In the past decade, the Australian fleet has gone from 55 ships to 21 ships, with only three operating internationally.

The increasing trend for foreign vessels to be employed to carry our goods around the Australian coast and internationally is to the detriment of the Australian coastal shipping industry. There is a broadly shared view amongst many seafarers in the Australian maritime industry that the Australian coastal shipping sector needs to be revived from the clutches of this downturn and that it needs to be expanded. As the minister said in question time today: if we do not act soon, it may be too late and we may not have a maritime industry at all.

We know that when those on the other side of the House were in government, they ignored Australian jobs and the Australian shipping industry. They abandoned capital grants assistance, and they abandoned accelerated depreciation and the PAYE rebate scheme. At the same time, they tripled the number of trading permits to foreign flag crews. At the same time as other countries around the world—developed countries around the world—were acting to strengthen their shipping industries, the Howard government was abandoning ours. Germany, the UK, the Netherlands, Japan and South Korea all embarked on extensive and very successful programs to rebuild their shipping industries. These countries, unlike Australia under the Howard government, understood that a healthy, competitive shipping industry sector brings great economic, strategic and environmental benefits.

The House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government also recognised the importance of this sector in 2008, in their conclusion of the unanimously supported inquiry into coastal shipping policy and regulation in Australia. This inquiry undertook an extensive consultation with stakeholders about the various issues impeding the industry. The legislation before the House is entirely consistent with that unanimous report by the committee and its recommendations. So I do find it strange that those on the other side have decided to say no to this. Of course, in 2008 the coalition was under a different leadership. Perhaps with the current Leader of the Opposition,
the impetus to just say no has really taken off. Here, despite the unanimous report in 2008, they now just say no.

After that report by the House of Representatives standing committee, the minister established a Shipping Policy Advisory Group with representatives from Australian shipowners, maritime unions and key users of shipping, to assist in preparing the response to this issue. The group and the key industry stakeholders were consulted closely and a lot of analysis was undertaken. They were for the most part supportive of the positive action the government was taking, and they supported us in our efforts to revitalise the maritime industry.

The strongest argument for revitalising Australia's coastal shipping industry is an economic one. A strong domestic shipping industry can assist in the alleviation of land transport bottlenecks, infrastructure constraints and environmental impacts, as well as provide economic benefits derived from the creation of local employment and the growth of maritime services. What we are really talking about here is Australian industries and Australian jobs. We should take this very seriously. In addition, Australian defence, maritime safety and security will also benefit from an expanded coastal Australian shipping sector. The package will provide a response to a substantial portion of the issues raised by a range of stakeholders and by the parliamentary inquiry.

We heard the previous speaker, the member for Aston, talk about the Deloitte Access Economics report. Quite frankly, there were some flaws in that report. The report is factually incorrect in regard to the operation of the new licensing system, which leads to a range of incorrect assumptions about the likely economic impacts. Of course, if the members on the other side of the House had actually listened—this has been outlined by a number of speakers—they might not rely so closely on the report. As most people would know, if the assumptions in economic modelling are wrong, then it is likely the results of that economic modelling are also wrong.

The modelling is based on the assumption that all temporary licences will be phased out in five years, and that all coastal cargo will be carried on Australian licensed vessels. This has never been suggested by the government. There are no plans to restrict the number of foreign vessels in Australian waters. The reforms are simply about providing a level playing field for Australian ships so they can compete better. Foreign ships operating on the Australian coast already have to pay Australian wages. The government's shipping reforms do not change this. All sides of the House should be very clear on and very supportive of the fact that, no matter what country you come from, if you are in Australian waters you should have the benefit of Australian workplace relations laws and the safety net of employment conditions. That is certainly supported on this side of the House and I hope, although I would not necessarily expect it, on the other side of the House.

The Stronger Shipping for a Stronger Economy initiative delivers a reform package that positions the Australian shipping industry to take advantage of the opportunities provided by our huge and increasing export market. Our increased domestic transport task creates a platform for rejuvenation, with all those potential new jobs, opportunities and prosperity.

The revitalisation of Australian shipping is one of the three elements of the government's broader reform of maritime policy and regulation. The other two elements are the reform of the Navigation
Act, and the COAG initiative for the creation of a single national jurisdiction for the regulation of commercial maritime matters. The announced shipping reform package is conditional on a compact between industry and unions to deliver better productivity and efficiency reforms to better align practices in the Australian shipping industry with international best practice. The shipping package comprises four key elements: tax reforms to remove barriers to investment in Australian shipping and to foster the global competitiveness of the shipping industry; a strengthened and simplified regulatory framework with a transparent licensing regime supported by clearly stated objectives; the establishment of an Australian International Shipping Register to encourage Australian companies to participate in international trade; and the establishment of a Maritime Workforce Development Forum to progress key maritime skills and priorities.

The Shipping Reform (Tax Incentives) Bill will provide for conditions for vessels to access the tax exemption and other concessions; establish eligibility criteria for access to the taxation concessions by defining 'eligible company' and 'eligible vessel'; provide a framework for the Department of Infrastructure and Transport to issue applicants with a notice and, later, a certificate confirming they have satisfied the department's requirements for certification; and provide for the department to collect and collate data in relation to these reforms.

In addition the Tax Laws Amendment (Shipping Reform) Bill amends the Income Tax Assessment Act to give effect to the tax exemptions and other tax concessions. These tax incentives will breathe life back into our shipping and maritime ministry. The taxation element will provide for a zero tax rate for shipping companies; accelerated depreciation of vessels via a cap of 10 years effective life for those vessels; rollover relief for income tax to an employer refundable tax offset in relation to seafarers; and an exemption from royalty withholding tax payments made for the lease of shipping vessels. These bills will encourage and support capital investment and ensure we have taxation arrangements that are internationally competitive. The changes will also encourage the employment of Australian seafarers on international trade routes.

For those on the other side of the House who might be slow to recognise this, what we are talking about here is tax cuts for this industry. We know that those opposite have changed their colours recently. They used to be the party of reducing tax but then they opposed the reduction of the corporate tax rate—which, of course, we on this side of the House found quite surprising. We are seeing those on the other side opposing these tax cuts, so it is hard to get your head around what they stand for. They used to talk about tax cuts, but that is right off their radar now and they just seem to oppose anything that has the term 'tax cut' in it.

The Shipping Registration Amendment (Australian International Shipping Register) Bill will establish a new Australian International Shipping Register and provide for its operation, administration and employment conditions. The creation of this register will enable Australian shipping companies to compete on a level playing field internationally by removing cost disadvantages experienced by Australian registered ships when competing in the global market. These registers have been embraced by many advanced economies and it is time our country did the same. The crewing and labour provisions are key elements of this bill and go to its core competitiveness.
The other bills associated with these changes include the Coastal Trading (Revitalising Australian Shipping) Bill, which will provide a new regulatory framework and licensing system for vessels engaging in coastal trading in Australian waters, and also the Coastal Trading (Revitalising Australian Shipping) (Consequential Amendments and Transitional Provisions) Bill 2012 and the Tax Laws Amendment (Shipping Reform) Bill 2012. These are all very important.

As I said, it is not really surprising that the Liberal Party will not be supporting this legislation. I am not surprised, because they seem to say no to everything. But what I am surprised about is that the National Party are saying no to this. In the Labor Party's platform there is a clear policy outlined. Indeed, we took this policy to the election, so I am pleased to be supporting it. But the National Party also supported that. The National Party policy platform for 2011-12 says that the National Party will introduce the means to allow Australian shipping to compete effectively against other transport modes and internationally while maintaining our national shipping identity. Well, that is what this bill is doing. The National Party platform also says the Nationals will introduce a tonnage tax to replace a company tax on an opt-in basis linked to mandatory training arrangements. Well, we did propose that but, after a lot of consultation with industry, it has become apparent that a zero tax rate is better. So obviously in light of this I would encourage the National Party to change their position and support this.

The National Party also wanted to examine ways to reduce the income tax disadvantage suffered by Australian seafarers operating outside of Australian waters compared with seafarers from other nations. This bill does this. It starts to create a national playing field. Once again, that is in the National Party platform. Also, the National Party says it will establish Australia's second shipping register. Of course, the Australian International Shipping Register is a very important part of this legislation and it seems to be supported in the Nationals policy platform. So, while I do understand that the Liberal Party have changed and are no longer the party of lower taxes but are in fact the party of saying no to tax cuts, it is strange that the Nationals clearly state that they see this as an important issue yet have failed to act on their national platform. That is very disappointing. I would call on those in the National Party to keep their identity as a distinct political party, uphold their national platform and vote with the government when this bill comes to a vote.

The Labor Party went to the last election clearly stating that we wanted a vibrant Australian shipping industry. We should be ensuring that as many industries as possible benefit from our mining boom, and this includes the Australian maritime industry. We should not just be digging up minerals; we should be processing them, we should be adding value and we should be responsible for transporting them around the world. After many years of inaction by the Howard government, this government is putting Australian industry and Australian jobs first. I commend the bill to the House.

Mrs PRENTICE (Ryan) (16:29): I rise today to speak on the Shipping Reform (Tax Incentives) Bill 2012 and associated bills and to support the member for Wide Bay's four amendments which seek to decline a second reading of these bills. The coalition does not support the passage of these bills through parliament for two primary reasons. Firstly, these measures will not achieve their stated aims of revitalising the domestic shipping industry, but rather they will achieve their unexpressed aims of responding to union
vested interests. These measures are yet another example of this Labor government using the long arm of governmental bureaucracy to intervene in and overregulate an industry to the detriment of the Australian economy. Secondly, these measures have been introduced prematurely before the Productivity Commission has had the opportunity to assess the package and before important discussions between the shipping industry and unions have been finalised.

The coastal shipping industry is an extremely important component of bulk freight movement for both domestic travel between Australian cities and internationally. Currently over 99 per cent of international cargo by weight and approximately 75 per cent by value is carried by sea transport. Coastal shipping carries around one quarter of interstate trade. Due to Australia’s geographical isolation and the lack of land borders, we have the fourth largest shipping task in the world. In 2007-08, Australian ports received 27,434 calls: 7,161 of which were by containerships, 14,439 by bulk carriers, 3,633 by general cargo vessels and 2,201 by other vessels. This highlights the very important role that, as a service industry, coastal shipping plays to many of Australia’s trade exposed export industries.

Traditionally our shipping industry has always been an uncompetitive one internationally. This is not just because of our geographic isolation or the onerous labour conditions of Australian workers, but also due to wharf delays. The 1950 report of the Liverpool Steamship Owners’ Association commented:

Australia is an example of the gross occurrence of shipping delays—
which—
... must inevitably be reflected in their cost of living.

The Institute of Public Affairs expressed the concerns succinctly when they said that the pocket of every Australian is being affected by the slow turnaround of shipping'. These concerns about the possible effects on the wider Australian economy remain true today.

The Economist in 2008 reported that Australia’s transport cost advantage over Brazil for iron ore to China had decreased from a high of US$40 per tonne to only US$12 per tonne, which decreased the attractiveness of Australian iron ore to China. The resource boom is inextricably linked to the coastal shipping industry, and with the Deloitte Access Economics report estimating a 16 per cent increase in the cost of freight rates as a result of these bills, the package today could continue to threaten the resource boom and the Australian economy.

More recently, there has been a decline in the number of Australian registered ships, declining from 55 major vessels in 1995 to—as the minister quoted earlier today—21. This is a development which troubles me. It is why all members of the House Standing Committee on Infrastructure and Communications, which I am a member of, applied themselves diligently, in the very short time they had, to assessing these proposed reforms. I do note, however, that 70 per cent of Australian coastal shipping is still undertaken by domestic vessels. Into the future, however, it is estimated that the overall freight task will double by 2020 and treble along the eastern seaboard. If Australian flagged vessels do not have the capacity to efficiently take up that increase in freight, then we will have to rely on foreign flagged vessels to absorb the surplus without risking economic disadvantage. Therefore, it is vital that the Gillard government devise apposite legislation which will support coastal shipping, both for domestic vessels and access by foreign flagged vessels.
CSR Ltd, in their submission, expressed the view:
The welfare of the coastal shipping industry should not be at the expense of the industries it is there to serve ... in its current form, the legislation is value destroying - the more successful the policy is, the worse off Australia will be.

These bills today do not support that future. Instead they provide an intrusive regulatory framework that could see decreased competition, which would serve only to harm the wider Australian economy.

There are five bills in today's package, with many wide-ranging and complex measures, only some of which I am afforded the time to discuss today. The intent of the bills is, according to the minister, to create an:

economic and regulatory environment that will revitalise and sustain growth and productivity in our shipping industry.

In trying to achieve that aim, the bills include measures ranging from tax incentives and other taxation changes for Australia shipping businesses to the creation of the Australian International Shipping Register and alteration of eligibility criteria to be on such a register. The bills also include provisions to abolish part VI of the Navigation Act 1912 and, in doing so, create a new three-tiered licence system.

These bills are merely new protectionist measures which do not recognise the important contribution that foreign companies and foreign flagged vessels make to Australia. We must acknowledge that Australians cannot do everything. We do not necessarily have the skill base, least of all the will, to provide an industry with all Australian owned businesses or Australian workers, just as we must acknowledge that Australia cannot manufacture everything.

We may not have a comparative advantage, owing to our tightly regulated labour market or our ability to raise capital in an increasingly competitive and mobile international capital market. As such, what this industry requires—and what every industry which utilises coastal shipping requires—is flexibility, flexibility to adapt to changing global conditions and markets.

The Department of Infrastructure and Transport maintains that these bills are not aimed at reducing competitiveness or flexibility. The department's supplementary submission to the committee stated that the new legislation is not aimed at reducing competition but rather 'to make transparent the role of foreign-flagged vessels in the coastal trade'. If the intention is to make the activities of foreign vessels more transparent, then the department itself should be more transparent about the fact that the intent to aid Australian companies to compete more effectively means limiting the access of foreign vessels to our waters in the first place. This is achieved through the complicated changes to the licensing regime, where there will be a three-tiered system: (1) A general licence with unrestricted access for Australian registered vessels, crewed by Australians, permanent residents or foreigners with appropriate work visas, to engage in coastal trading in Australian waters for a maximum of five years; (2) a temporary licence, which provides limited access to engage in coastal trading for foreign flagged vessels or Australian International Shipping Register vessels for a 12-month period for specifically identified voyages; and, finally, (3) an emergency licence which provides extremely limited access in identified emergency situations such as natural disasters.

The problem with this system lies primarily with the very prescriptive nature of the temporary licence structure. The
government has tried to claim that the move from a three-month to 12-month duration of the permits creates greater certainty. However, this is not the case as, before companies are granted a temporary licence, they must provide very detailed information about exact dates, which loading and discharge ports will be used and what the cargo type and volumes will be on the voyage.

It is ludicrous to suggest that industry will be able to provide such extensive and detailed information 12 months in advance, when they do not even have the assurances that they will receive a licence. In order to get a licence, a company must have a minimum of five voyages, and there are no exceptions to this rule. The government originally proposed an arbitrary minimum of 10 planned voyages per year and then recanted and reduced this prescription to five. However, the reasons behind the drop from 10 to five are the same reasons that would lend support to a complete reduction from a minimum of five to zero. Otherwise, these bills will effectively block out any smaller coastal shipper or even a larger coastal shipper who may be experiencing a temporary downturn.

In the case where a company seeks only four voyages in Australian waters in one year, the arbitrary minimum acts as an incentive for that company to provide spurious voyages in order to meet the threshold. This is not an ideal situation, and I recommend that the government revisit this narrow licence eligibility criterion. This is not flexibility; this is isolationist protectionism masquerading as a call for transparency.

Furthermore, if conditions change and the information submitted to the department must be modified, then a variation request must include an amendment to, or addition of, a minimum of five voyages. As Shipping Australia noted, if a company originally planned for five voyages but wishes to add just one more, they are not able to apply for a variation in their temporary licence conditions. Of course, any company requesting a variation must pay a fee each time it applies. This stifling, prescriptive regulation creates an unnecessary compliance burden and reduces competition in the industry. Caltex Australia noted in their submission to the inquiry:

The shipping reform package … will increase red tape at a time when the Commonwealth and state governments, together with business, are seeking ways to reduce it. The Bill contains clear examples of unnecessary and unproductive regulatory requirements …

I support the Leader of the Nationals' four amendments that would decline a second reading of these bills until such time that the Productivity Commission is able to provide a report on the economic impacts of increasing regulation in coastal shipping services. I would also encourage the minister to delay debate on these bills so that the discussions and negotiations of a compact between the industry and unions can be finalised.

I understand that many within the industry are concerned that, failing an expeditious response from parliament, we could see a further curtailing of the domestic industry before the compact is announced. However, the complexities of the industry are so large, and the possible unforeseen and unintended consequences of these bills so complex, that the parliament must be confident that these measures will achieve their expressed aims. There is no point passing bills that serve only to help the myopic interests of unions and shipowners to the long-term detriment of other industries. If this Labor government, as it has frequently expressed, wants Australia to 'make things' and have a thriving manufacturing export industry, well, you do
not then turn around and say: 'We're going to make it more costly for you to export; we're going to decrease your international competitiveness by lumping you with a carbon tax. But don't worry; we'll bail you out too when the disastrous economic consequences of our policy agenda are realised.'

Moreover, I note that the first inquiry about this issue occurred in 2008 and then followed the creation of the Shipping Policy Advisory Group in February 2009, a government initiated discussion paper in December 2010 and, more recently, proposed exposure drafts, regulatory impact statements and of course the House standing committee process. I did hope that, after this exhaustive legislative process, the government would be able to devise a balanced and positive piece of legislation. Unfortunately, the specific details—often confusing details—of this bill were released only in a poorly prepared exposure draft in December 2011, after which there was only limited opportunity for the House committee to fully assess the 30 submissions provided by industry participants and what many regard to be the deficiencies of the bills. Many of those 30 submissions support a referral to the Productivity Commission and further investigation into the financial implications of the package on the cost of moving freight. To date, there has been no real attempt by the government to put an accurate figure on these costs, and it would fail all tests of credibility to pass these bills in their current form without knowing what impact they will have.

The coalition supports not just the coastal shipping industry in Australia; we support the entire Australian economy. We do not bow to vested interests like the Labor government has done by introducing these bills to parliament. The coalition knows that because coastal shipping is so integral to the future of Australia's export industries and our economy these bills must not pass.

Mr CHAMPION (Wakefield) (16:43): It is very interesting hearing those opposite talk about consultation, about having more time and about not enough people getting to have their say and that perhaps we should refer it to yet another committee. I find it very strange. In 1992 when I was a young and eager member of Young Labor, I remember reading the Ships of shame report, which was a report of the House of Representatives Standing Committee on Transport, Communications and Infrastructure. It had some very famous people on it: Peter Morris, who was a former minister; John Anderson, who was a future Deputy Prime Minister; and a number of other people whose names have unfortunately passed out of this House and into the history books.

The Ships of shame inquiry first examined this issue of coastal trade and cabotage and some of the issues that the world and this country as an island nation and shipping nation had to confront. Of course, that inquiry in its preface talks about how it was told of the operation of unseaworthy ships; the use of poorly trained crews with false qualification papers; crews unable to communicate with each other or with Australian pilots; classification societies providing inaccurate information on certificates; flag states failing to carry out their responsibilities under international maritime conventions; careless commercial practices by maritime insurers; inadequate, deficient and poorly maintained safety and rescue equipment; classification societies that readily class ships rejected by more reputable societies; the beating of sailors by ship's officers; the sexual abuse of young sailors; crews being starved of food; crew members being forced to sign dummy pay books indicating they had been paid much more than they had actually received; sailors...
forced to work long overtime hours for which pay was refused; crew members being denied telephone contact when family members had passed away; sailors not being paid for several months or remittances not being made to their families at home; sailors being denied medical attention; officers regarding maritime crews as dispensable; and crews being denied basic toilet and laundry materials.

The beneficiaries of these flag of convenience arrangements and the arrangements that were in place then were flag states who take the shipper registration fees and pay lip service to their international maritime obligations; the classification societies who readily accepted changes in the class of vessels already rejected by reputable classification societies; the classification societies that issued certificates that did not accord with vessels' true conditions; ship owners, operators and managers; crewing and training agencies; and charters, exporters and importers.

This parliamentary report, Ships of shame, into ship safety was the first of many reports in this area that outlined some of the difficulties in protecting the interests of the nation state and our reputation as a First World country and the real and lived experience of the shipping industry. Even today, some 40 per cent of international shipping is under flags of convenience, under the open registry in places like the Marshall Islands, Panama and Liberia. We know that these flags of convenience are there for a reason: they are attractive to ship owners because they can often hide their ownership, they can avoid international regulations on labour standards or environmental standards, they can avoid international criminal sanctions, they can avoid international arms control sanctions.

We know that there is this great problem out there with regulation of international maritime transport, shipping and the like. It is a very big problem for this country. I remember when this report came out, there was an incident off the Western Australian coast with the Kirki, which was a Liberian flagged ship that was Greek owned. It was rust bucket and it was carrying oil. The bow fell off the front of the ship. The pointy end of the ship fell off into the ocean and oil spilled out onto the Western Australian coastline. But for the bravery of an Australian rescue crew, that would have been an environmental disaster to match the Exxon Valdez. We came very close to that.

One only has to look at some of the recent headlines around the place of ships ploughing through the Barrier Reef and off the coast of Newcastle to know that international shipping is a serious business—it is not one in which you want to make mistakes. There has been a recent disaster in New Zealand as well. I think that we would be wise to have good shipping laws in this country—shipping laws that do not just improve our national shipping and make sure that we are not an island nation without an international maritime capacity, but that also go some way toward, if you like, civilising the savage world of international shipping.

The Shipping Reform (Tax Incentives) Bill 2012 promotes a viable shipping industry, which will contribute to a broader Australian economy. We know that it is terribly important to make sure we have got an Australian choice, an Australian option. We know that this bill is important to facilitate the long-term growth of the Australian shipping industry. It will enhance the efficiency and reliability of Australian shipping as part of a national transport system, and it maximises uses of the vessels registered on the Australian General Register under the Shipping Registration Act 1981.
This is achieved by making sure that, first of all, we have a general licence for Australian general registered vessels, which will provide unrestricted access to engage in coastal trading in Australian waters. There will be temporary licences that provide access to engage in coastal trading in Australian waters, which is limited in time and in the number of voyages authorised by the licence. There will also be an emergency licence that provides access to coastal trading in Australian waters, which is also time-limited but is there to deal with an identified emergency situation. Those three different types of licence help to safeguard the national interest. They will provide for more than enough options for those who want to ship their goods from port to port, and they allow for the coast to be open but appropriately regulated. That is a particularly important thing.

In the last decade—and we have heard all the speakers talk about this—the Australian fleet has gone from 55 ships to 21, with only four operating on international routes. In a country which is basically an island nation where our trade with the rest of the world is by ship, we need to act so that there is an industry there for the future. At this time, at the point of action, as it were, you do not want to defer a decision to another inquiry and another time. That would be not very sensible at all.

At the moment we have one of the most liberal domestic shipping regimes with some 30 per cent of our coastal cargoes being transported by foreign vessels—470 permit ships—and I think that tells you something. In every other country in the world, and particularly if you look at the United States and places like the United Kingdom, they provide some sensible regulation on their coastal shipping. And that is for good reason. They understand the good national interest reasons why one would do that, and it is important that this House does as well.

I find it a little strange that after all these inquiries, and there have been many of them, that we are considering looking at the matter again. There was the Rebuilding Australia's coastal shipping industry report, and we have recently had the infrastructure and communications committee look at this matter again, and a Senate committee is being set up in anticipation of this. One questions, after 22 years, from the Ships of shame report to now and the many different people looking at it with more than enough opportunity to provide their views, whether it is not just time to act. Acting is important in protecting the national interest. I think that it is important to getting this industry back in the game. It is important to protect this industry, there is no doubt about that. It is important for an island nation to have an Australian fleet. Where would we be without it? I think that is a particularly important point.

The Nationals' own platform boasted about how they would do exactly what is in this bill. Their platform to the people talks about all of these reforms—the zero tax rate, sensible regulation around these things, and development of the workforce. Yet when push comes to shove, we have the member for Wide Bay, who hopes to be Deputy Prime Minister one day, walk away from his own platform. I think Barnaby Joyce is negotiating his passage into this House at the expense of other sitting members; he is the circling the member for Wide Bay. And it is very curious then that the member for Wide Bay should walk away from his own platform. It is an odd thing to do. When we look at what people say and what they do, they are often two different things, and on this issue it is no different.
The government has been quite upfront with the fact that we have gone through a very long negotiation period. The previous speaker talked about some of the concessions that have been made on the temporary licences, from 10 voyages to five. I think that that is a sensible concession to make, but you would not want to lower it to zero. What would be the point? What would be the point of having reforms if you make them so meaningless as to not be effective?

It seems to me that in all these things the question you get down to is the same question that William Wilberforce faced when he moved in the House of Commons to abolish slavery. He was in there talking about ideals and about principles and about the way the world should be if the government and society willed it. Then you had people getting up making speeches about how the boats and the money that had been invested in the slave trade would lie idle—and what would we do then? They were quite extraordinary speeches to the House of Commons. I remember reading William Hague’s fine biography of William Wilberforce, and it was very interesting to see some of the arguments we have on so many of these issues—the argument of regulation versus the economic cost of regulation—and there are echoes in this House even now of those debates.

It seems to me that we should protect the national interest, that we should have Australian ships trading in Australian waters, carrying Australian goods to produce Australian jobs. To me it is a sensible thing for an island nation to have an Australian shipping fleet. I think that it is terribly important when you think about some of the longer term challenges that we might face. And it will not have that unless this House is prepared to put in place the laws and regulations and the zero tax rate that support it. I commend this bill and the related bills to the House. We should act now and not put it off, not absolve ourselves or avoid our obligations by shunting it off to yet another inquiry.

Debate adjourned.

Resumption of debate made an order of the day for a later hour.

**BUSINESS**

**Rearrangement**

Mr BRENDAN O’CONNOR (Gorton—Minister for Housing, Minister for Homelessness and Minister for Small Business) (16:58): I move:

That orders of the day, Nos 2 to 5 government business be postponed until a later hour this day.

Question agreed to.

**BILLS**

**Environment Protection and Biodiversity Conservation Amendment (Independent Expert Scientific Committee on Coal Seam Gas and Large Coal Mining Development) Bill 2012**

**Second Reading**

Debate resumed on the motion:

That this bill be now read a second time.

Mr PERRETT (Moreton) (16:58): Thank you, Mr Deputy Speaker, and all of my constituents who have been sitting around waiting for the continuation of this speech can now sleep easy. This is actually very important legislation, the Environment Protection and Biodiversity Conservation Amendment (Independent Expert Scientific Committee on Coal Seam Gas and Large Coal Mining Development) Bill 2012. As I said in my introduction, whilst I have no coal seam gas development projects in my electorate, obviously a lot of people in my electorate of Moreton work in this area and
are also concerned about the farmlands that can be affected by this. The benefits of coal seam gas and coalmining developments can be seen easily in Queensland. If we look at the job opportunities there and the housing demand in places like Moranbah and other parts of the state we can see that it is an important industry for future jobs in Queensland. We saw that in the Gillard government's 2012 budget, which centres on making sure that all Australians share in the benefits of the mining boom and our strong economy, with the revenue from these projects distributed across Australia. Unfortunately, it is a very patchy economy. There are parts of Queensland where unemployment is down to one or two per cent, such as up on the Darling Downs where it is hard to get accommodation, but when you go to places like Cairns that depend on tourism there is unemployment north of 14 per cent. So it is definitely a patchy economy and more needs to be done to spread the boom evenly. Nevertheless, some of my constituents are very worried about what CSG and coalmining developments mean for Queensland and want to know what steps are being taken by responsible governments to ensure that these industries are being properly regulated.

Coal seam gas and coalmining are constitutionally state and territory government responsibilities, from the perspective of both environmental approvals and the planning beforehand. I was a bit disturbed to hear Premier Newman indicate upfront that he was going to give a green light to projects—I think that was part of the election campaign—and that he would cut red tape and green tape. Unfortunately, that could be a bit of a black day because, as we need to remember, the regulations are about protecting our environment. I would hope that the state and territory governments take their responsibilities seriously. Obviously the Commonwealth only steps in if a project is likely to have the significant impact on a matter protected under the Environment Protection and Biodiversity Conservation Act, or the EPBC Act, as most people call it. Traditionally, people will see this in the media when we are talking about a threatened species that might be impacted by a project.

The things that need to be considered by the federal government—and they are not, as I said, the exploration permits or minerals development projects or the environmental side of mining—are only national environmental significance factors under the EPBC Act. I will list those factors. They are things to do with World Heritage properties, national heritage places, wetlands of international importance listed under the Ramsar Convention, listed threatened species and ecological communities, migratory species protected under international agreements, Commonwealth marine areas, the Great Barrier Reef Marine Park and nuclear actions, including uranium mines—although that obviously does not apply in Queensland at the moment.

The reason this legislation is before the House is because there has been such community concern. As I said, you have got Alan Jones and the Greens on the same ticket, throw in the member for Kennedy, and I think even the member for New England has spoken on this as well in terms of—

Mr Windsor: No, you're misleading parliament!

Mr PERRETT: concerns about coal seam gas exploration in farmland areas. I do not think I am misleading the parliament. The member for New England is certainly concerned about agriculture and the impact on water in these areas. It is important to try and get the facts out there, and that is why
this legislation is so important. While coal seam gas proposals that have been approved under national environmental law are subject to strict conditions to avoid impacts on nationally protected matters—the eight that I have just mentioned—we must continue to take steps to safeguard the environment and allay community fears, especially in light of some of the misinformation that is flying around.

This bill and the establishment of the independent expert scientific committee is aimed at preserving the long-term health, quality and viability of Australia's water resources while supporting the sustainable development of the coal seam gas and coalmining industries. The committee has three roles. One is to provide advice to governments on coal seam gas and coalmining projects because much of the information we receive is currently from the miners and explorers. The second is to oversee bioregional assessments in areas where coal seam gas and/or large coalmining developments are under way or planned and the third is overseeing research on potential water related impacts of these developments. This committee is an open committee, providing regular public updates of its work on its website, publishing its advice and the outcomes of bioregional assessments and commissioned research.

Community fears are fostered by current gaps in scientific knowledge about the direct and cumulative impacts of coal seam gas and coalmining on water resources. This bill commits the Gillard government to investment in public good scientific research on the impacts of these activities. It will ensure that independent expert advice on all relevant project proposals is available to communities, governments and industry and it will ensure the proactive publication of scientific research and advice to states and territory governments. It is absolutely critical that they continue to take action to protect precious environmental areas. The Gillard government is continuing its commitment to creating a sustainable Australia and conserving our precious environment for the future. That means that, on occasion, there is tension between mining development and farming.

The 2012 budget targets our investment in a sustainable Australia to where it is needed most to secure a healthy environment on land and at sea. Through programs such as the Caring for our Country initiative and the recently announced Biodiversity Fund we will continue to improve biodiversity, help protect iconic sites like the Great Barrier Reef and perhaps even the Coral Sea, and support farmers to improve their practices so that these areas benefit.

Queensland is the home to many environmental treasures. For example, one of the world's natural jewels, the Coral Sea, is sitting just to the east of Queensland's Great Barrier Reef. The Coral Sea is recognised across the world as a marine region of great significance for its unique biodiversity. Its reef systems support tropical ecosystems abundant in hard and soft corals, sponges, algae, fish communities and other creatures such as sea stars and marlin. Its islands support critical nesting sites for the green turtle and a range of seabird species. In Australian waters the environment is in near pristine condition and it is still in great condition in the French territories. If we wish to retain areas such as this, the Queensland and Commonwealth governments and other stakeholders must work together.

Obviously as a Queenslander I know that mining jobs are very important, but we also need to ensure that we do not sacrifice our children's future for today's jobs. When I am looking over my political legacy—whenever that might be—from my rocking chair I want...
to be able to look my grandchildren in the eye and say, 'I had a go at making a difference.' I want a legacy of doing and leading, not just whingeing. That is the focus of the environment protection and biodiversity conservation amendment legislation before the House. We must seize the opportunity to protect these pristine environments, whether they be farmland or the Coral Sea or other areas. This bill will ensure that the governments work cooperatively to understand the potential cumulative impacts of coal seam gas and coalmining developments on water resources and to ensure that this information can be used to assess industry projects. It will also lead to improved decisions without duplicating the existing regulatory requirements at the Commonwealth, state or territory level.

I wholeheartedly welcome the provisions of this bill as it hopefully will help to shift us from community concern to community confidence in the decisions of governments. This will be done by filling knowledge gaps and ensuring that future planning and environmental decisions made by federal, state and territory governments are informed by substantially improved science and independent expert advice. I also welcome this bill’s ability to strengthen the regulation of coal seam gas and coalmining approvals and alleviate community concern—even if it be in inner-city electorates like Moreton—about the regulatory processes by enhancing transparency and openness around these processes. It is for these reasons that I commend this bill to the House.

_Mrs MARKUS_ (Macquarie) (17:08): Water is a most precious resource. Without water we cannot sustain life on this planet and, as with all natural resources, we have the responsibility of wise stewardship. That is why I rise to speak on the bill before the House. The Environment Protection and Biodiversity Conservation Amendment (Independent Expert Scientific Committee on Coal Seam Gas and Large Coal Mining Development) Bill 2012 establishes an Independent Expert Scientific Committee on Coal Seam Gas and Large Coal Mining Development as a statutory body.

Coal seam gas has gained significant attention in recent times as farmers, landowners, environmentalists and other members of communities across the nation raise their concerns at potential risks to water tables and aquifers, health risks, the capture of prime agricultural land and the loss of property rights. The prime concern is pollution of water through underground aquifers.

Coal seam gas is a more recent type of mining activity where methane gas is extracted from deep coal deposits. While the technology to extract gas from coal seams has been in existence for decades, it has only been in the last 15 years or so that this type of mining has developed in Australia. The challenge is that coal seams store both gas and water, and they are deep—usually around 700 metres. The extraction methodologies use a process called hydraulic fracturing, or 'fracking', and it is this process that has raised concerns within the community.

There are increasing and disturbing reports of aquifers becoming polluted by coal seam gas mining processes. It is quite understandable that everyday Australians are concerned. When we see ordinary Australians, people who have never been involved in protests or the political process before, march in the streets or defy authority by refusing access to properties for the purposes of mining exploration, you know there is an issue that we as parliamentarians need to address. As decision makers we must hear the voices of our communities, and any
action that can inform our body of knowledge and advance the wise management of this nation's natural resources is a step in the right direction. The coalition supports an approach that balances protecting the environment, protecting the rights of landholders and the need to protect food security with acknowledging the economic benefits that mining brings to the nation.

The government has allocated $150 million to establish the Independent Expert Scientific Committee on Coal Seam Gas and Large Coal Mining Development. This committee will provide scientific advice on relevant coal seam gas and large coalmining projects, and commission and fund water resource assessment for priority regions.

The coalition supports the establishment of this committee because it is an additional resource in the development of informed decision making. The committee can, for example, advise on research priorities and provide expert scientific advice to the environment minister or the appropriate state or territory minister on coal seam gas developments or large coalmining development proposals that are likely to have a significant impact on water resources. It can provide advice to the environment minister about bioregional assessments in areas of high potential impact and/or areas of large coalmining development either underway or proposed. It can also provide advice to the environment minister about priority areas in which bioregional assessments should be undertaken or about bioregional assessments commissioned by the minister. In addition, it can provide advice about the priorities for research projects to improve scientific understanding of the impacts of coal seam gas developments and large coalmining developments on water resources. It can also research projects commissioned by the minister in relation to the impacts of coal seam gas developments and large coalmining developments on water resources, and collect, analyse, interpret and disseminate scientific information in relation to the impacts of coal seam gas development and large coalmining development on water resources. Importantly, the committee is accountable and, in general terms, is to make public its advice and findings of all research undertaken.

Section 131AB of the bill provides that the minister must obtain advice from the committee before making a decision to approve the taking of an action, if the action involves coal seam gas development or large coalmining development and the minister believes that taking the action is likely to have a significant impact on water resources and may have an impact on matters of national significance protected under part 3 of the Environment Protection and Biodiversity Conservation Act.

The bill to establish the committee goes some way to strengthening the oversight of coal seam gas mining. For our nation's sake, there must be a rigorous process that builds our scientific knowledge and provides expert advice. However, the bill falls short as to the make-up of the committee. We have to ensure that the committee is not hijacked or dominated by sectional interests.

The coalition proposes an amendment to the bill. The amendment ensures the integrity, relevant expertise and independence of the committee. The proposed amendment encompasses that: 'Each member of the committee, except the chair, is to be appointed on the basis that they possess scientific qualifications that the minister considers relevant to the performance of the committee's functions, including but not limited to ecology,
geology, hydrology, hydrogeology, natural resource management and health.’

The committee's fundamental purpose is to advise on scientific issues relating to water associated with coal seam mining and coalmining. It is reasonable to propose that the majority of the committee's members have advanced qualifications and expertise in the key fields of geology, hydrogeology or hydrology.

A strong mining industry generates significant economic benefits for Australia, through investments and through jobs and taxes. It is an important industry for providing energy to homes, businesses and to the nation's industries. Water, farming land, the local environment and communities are significant and equally important. In this particular issue, we need to make sure that decision making is scientifically based. It is only in that way that we can have confidence in matters where so much is at stake.

It is vital to our nation's future that prime agricultural land, clean, unpolluted water and mining all have a place in our economy. We need the benefits and jobs that mining can bring. We need to find a way to ensure that the best scientific knowledge is available to inform the decision-making process until we know all the impacts. There has to be and can be a balance, and this bill provides an approach to important decisions that lie ahead. I commend the bill to the House.

Debate adjourned.

BUSINESS

Suspension of Standing and Sessional Orders

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (17:16): by leave—I move:

That so much of the standing and sessional orders be suspended as would prevent:

(1) the time and order of business for Tuesday, 29 May 2012 being as follows:
   (a) the House shall meet at 12 noon;
   (b) the Federation Chamber shall meet from 12 noon until 1.45 p.m. and from 4 p.m. to 10 p.m., and standing order 193 (Members' Constituency Statements) shall be suspended;
   (c) during the period from 12 noon until 2 p.m. any division on a question called for in the House, other than on a motion moved by a Minister during this period, shall stand deferred until the conclusion of the discussion of a matter of public importance; and
   (d) during the period from 12 noon until 2 p.m. if any member draws the attention of the Speaker to the state of the House, the Speaker shall announce that he will count the House at the conclusion of the discussion of a matter of public importance, if the Member then so desires; and

(2) any variation to this arrangement to be made only by a motion moved by a Minister.

I thank the Manager of Opposition Business for his cooperation in this matter. To explain the reasons for moving this motion, it is intended that tomorrow we will start debate at 12 o'clock. That will enable more discussion to be held. There will not be votes during that period, but given that there are a number of budget related bills which must be carried, either this week or in the first week we are back in June, this is preferable to us sitting late at night in terms of the convenience of the House. I have said to the Manager of Opposition Business that it is up to him which legislation we debate, but at this stage it is intended that we will debate the Equal Opportunity for Women in the Workplace Amendment Bill 2012 for which there are enough speakers on the list to more than fill that two hours. I thank the House for its cooperation.

Question agreed to.
I will not spend a lot of time talking about the committee and its functions. I think they are fairly self-explanatory and most members have already spent time doing that. But it is interesting to see that for once we have unity across the chamber on what is potentially one of the most significant issues to face regional Australia—that is, the impact of coal seam gas and large coal mining developments on groundwater systems. One of the things that is critical to this debate, and to the independence of the scientific committee that this bill puts in place, is to recognise that in the past there have been state government failures in process. In New South Wales there are some former mining entities under investigation as we speak. I will explain for those who do not understand the process of what effectively happens now in a mining application. There are slight variations between coal seam gas and mining but New South Wales and Queensland have very similar processes. Essentially, a company makes application or applies for an exploration licence. It carries out a whole range of environmental and other assessments and gives the state government of the day some cash for doing that. It then relays that information and the environmental and other assessments back to the approving government, which is the same one that received the money. Then, traditionally, some codicils might be put on the mining application. I think only one application in New South Wales has been refused. So there has been a process whereby the mining sector has been able to virtually drive a bus through the allocation of an exploration licence, which eventually leads to the allocation of a production licence with, in some cases, a minor amendment.

That system has failed, particularly in New South Wales, and I think it is failing in parts of Queensland as we speak in that it has not taken into account the effect of these
activities on groundwater systems, particularly in those circumstances where this parliament and the state parliaments within the Murray-Darling system are looking at trying to come to grips with a water-accounting process that crosses state borders and that has some impact on environmental flows and the management of the general river system. When we do not understand the groundwater issue it is impossible to develop appropriate 'accounting in the valley' processes without that knowledge.

Part of the reason for this scientific committee being put together is to get a more appropriate hold on the knowledge that we do have. I would imagine that, where we do not have sufficient knowledge, the people on this committee would make recommendations to the federal Minister for Sustainability, Environment, Water, Population and Communities, who, through the national partnership agreement—which is not being debated today but is the bigger part of the package of which the scientific committee is a smaller part—will have the capacity to go back to the state approval processes and have some real say as to whether those processes go forward. There will be transparency in what the independent scientific committee actually does in terms of the information that it relays.

We have had state planning failures in the past. In an independent sense, the scientific committee will be able to assess the potential impacts of some of these large coalmine developments, mining developments and particularly coal seam gas developments. This measure has grown out of concerns that were originally expressed by people on the Liverpool Plains, which is in my electorate and, to their credit, by people in Queensland, who have great concern not only about coal seam gas developments but also about large mining developments on the Darling Downs. Both of those sections are part of the Murray-Darling system. The Haystack Plain development on the Darling Downs, in a sense, became a lightning rod for the intersection between the mining sector and agriculture. Liverpool Plains are another area of concern. There is a big difference between Liverpool Plains and the Darling Downs. They do have similar soils and they are highly productive soils—they are some of the best soils in the world. But the Liverpool Plains—not all but quite large sections—have massive underground water resources. The knowledge of the Liverpool Plains underground water resources is probably one of the greatest that we have in this nation but it is still minute.

So, before many of these large-scale activities take place, there is a need to actually understand what is going on under the ground and how that could impact not only on the mine site but on the people who are nowhere near the mine site but who may be impacted by the groundwater systems that could be disrupted through some of these extractive activities.

Part of this committee's work is to establish a bioregional assessment process. In 2008, environmental spokeswoman for the Minerals Council, Melanie Stutsel, essentially made the point that, prior to the letting of exploration licences there should be a region-by-region assessment—a bioregional assessment—of particular landscapes so that mining companies did not apply for an exploration licence in an area where they may not have been granted success in the long term. I just instance, even though it is not incorporated in any of this legislation, that you cannot apply to mine in a national park. Governments of the day have made a decision that certain areas of the nation which may well have resources under them cannot be mined.
The bioregional assessment process is essentially about assessing risk. This committee will have the capacity to make reference to the minister; the capacity to do research; the capacity to make an independent reference back to the minister about a bioregional assessment process; the capacity to look at the cumulative impacts of a number of proposed mines and existing mines; and the capacity to look at how they will potentially impact on the groundwater systems and the landscape generally.

I thank the minister for being here and I thank him for his role in the broader part of what we are talking about today: the National Partnership Agreement on Coal Seam Gas and Large Coal Mining. We should have undertaken a bioregional process many years ago. If we had have done it years ago, we would not now be going through this convoluted Murray-Darling process, because a lot of the work on the impacts on water, our knowledge of risk and water and how it intersects with landscape and other issues, and how groundwater systems relate to surface water systems would have been done.

Today there was an announcement from the Murray-Darling Basin Authority. I heard the minister's press conference and I share his concern. There are new numbers, again, in relation to groundwater. Hence the general public and particularly those who live in the Murray-Darling system are legitimately asking the question: what does all this mean? How come we can get a variety of numbers about a particular issue when we really do not understand what is going on?

The independent scientific committee will work in priority areas which, I think, are nominated in the bill somewhere. The point of the independent scientific committee is to work through those priority areas. One of them, the Liverpool Plains, is in my electorate. There are a number of large coalmining developments there at the moment. There are a number under assessment, and people have very real concerns about them. There are also a number that people do not have many concerns about. There is also a proposal for very large gas fields to be explored and potentially developed. This committee can assess, instigate research and make recommendations by way of advice back to the minister about what it believes will be the risk profile—and very importantly the cumulative risk profile—on some of these developments.

I would like to thank the Namoi Catchment Management Authority for the role they have played. They have spent something like $6 million or $7 million in recent years developing a layered spatial approach to their landscape. The Commonwealth has been involved by way of the Namoi water study, which will provide another layer. In that particular catchment there is a lot of evidence. The independent scientific process will be able to gather that information and make recommendations, or show concerns, or assess risks or cumulative impacts in terms of the catchment, and it will be an invaluable objective way of assessing whether these projects should go ahead or not.

I am not anti or pro, but I am very pro that the decisions are made in an objective sense. The state based process that we have had for many years has not been objective. The mining companies, essentially, have paid for the licence, gone away and paid for the environmental assessments, then gone back to the government that they paid the money to and asked for approval. There has been a nice little club where approval is nearly always granted.
I think it is important, particularly with the vision to have the Murray-Darling across state boundaries, that we have an independent scientific process that is part of the National Partnership Agreement which looks at the broader impact of these developments across the catchment, the Murray-Darling where I live, and also across the independent subcatchments within the broader catchment. Once we get to that stage we can make objective assessments with long-term risk profiles, and those developments will not be allowed to go ahead if it is shown that there is a risk of impacting on the landscape.

Ms MARINO (Forrest—Opposition Whip) (17:33): Historically, Australia was an agricultural based economy, became a manufacturing based economy and then a service based economy. The latest shift, however, perhaps most notable in my home state of Western Australia, sees the mining sector underpinning the growth of the nation. The boom in iron ore, coal and gas in particular has fundamentally altered the economy of the mining states and has had a significant impact across the nation. The government should recognise the importance of this investment. After all, without this sector the nation would be in recession.

The latest economic shift brings with it great opportunity but also carries great risk and great responsibility. We have to manage the impacts of the growth of the mining industry if we are to deliver a sustainable triple bottom line. Community, states and national economies all want and need the financial rewards that mining brings. In fact we have seen this government putting its hands deeper and deeper into miners’ pockets in its mining and carbon tax grabs.

We all recognise the social advantage delivered by mining and its support of families and communities around the nation, even though we acknowledge some of the negative impacts other industries face in trying to compete with mining for workers and capacity. It is common in Western Australia, specifically in my electorate, for local business operators, especially in the transport and machine operator industries, to consistently lose trained staff to the higher-paying mining sector. Apprentices trained in the south-west frequently get their ticket and immediately leave the local business that trained them but cannot afford to match the high wages available up north. Whilst nobody would seek to deny those workers the rewards of working in mining, the impacts on other industries needs to be addressed.

The third part of the triple bottom line is environmental and it is this tranche which the bill today addresses. The bill is a direct response to the concerns about the impacts of mining on the hydrogeology of a region. Our aquifers are not inexhaustible. They are not bottomless pits and neither are they independent systems. Isolated from the surroundings or the greater environment, water assets are our most precious assets on which our society depends. Our farmers cannot grow food for us and for the growing international population without water—that is something that is overlooked. I also think it is something that is underestimated and undervalued.

The city of Perth could not survive without tapping into the Gnangara Mound, a superficial aquifer that supplies two-thirds of Perth’s water needs. The impacts of this extraction are consistently studied and many have expressed their concerns. The south-west of Western Australia, including the seat of Forrest, also has significant groundwater resources. There are superficial aquifers, the vital Leederville aquifer and the enormous Yarragadee aquifer. All three levels of aquifer are vital to the environmental, social
and economic health of our region. The superficial Leederville aquifers provide domestic, industrial and agricultural water. The Yarragadee aquifer supplies larger farming, industrial and mining enterprises as well as providing domestic water supplies for the cities of Bunbury and Busselton.

There is a high degree of connectivity amongst the south-west aquifers, so none can be considered in isolation and all three are vital for the health and environment of the south-west. Australia has only two internationally recognised biodiversity hot spots, and my south-west is one of those. This ecosystem is vital to the environmental health of the state and is under threat from a drying climate, salinity and acidification as well as Phytophthora dieback. Adding additional water stress by dropping groundwater tables or contaminating aquifers will further damage a system that is already under pressure.

The bill before the House specifically addresses the impact of the mining industry on high-value, at-risk ecosystems, and the south-west of WA is a prime example. It is also the only region of Western Australia that has an active coaling mining industry. The Collie coal mines have been mined for nearly a century and they still provide the fuel for the state's largest power stations. Mining in Collie requires significant dewatering of the Collie Basin aquifer. Whilst the removed water is largely reused by industry, including in the nearby power stations, there has been an impact on the level of the water table in the basin itself, and that in turn has had an impact on the vegetation and the iconic Collie River, both of which are supported by groundwater capacity. The bushland around Collie, known alternately as the Eastern or Northern Jarrah Forest, has suffered from declining rainfall and is under severe stress, and this may be reflected in the next forest management plan by reduced harvest levels.

The Collie River is the heart and soul of the Collie community and it feeds the Wellington Dam, which is a major water asset of the community and the broader irrigation system. But the Collie River is also under threat, with declining flows and salinity issues adding to the eternal problem of weed infestation. Local resident Ed Riley has been actively studying these impacts for many years and has written a submission for the Standing Committee on Climate Change, Environment and the Arts' inquiry into Australia's biodiversity in a changing climate.

In addition to the coal resources in Collie, the south-west also has coal and coal gas assets along the Vasse Shelf between Busselton and Augusta, in what are known as the Sue Coal Measures. This resource should be of particular interest to the independent expert scientific committee described by this bill, given the potential impact on key groundwater assets of the region. Members should be aware that the state government of Western Australia has recently rejected an application to mine coal in the Vasse seam. The rejection was based on the need to protect the vital groundwater resources of the region. Any risk to the Leederville aquifer in particular, which lies close to the coal measures, is a threat to the very environmental, agricultural and tourism lifeblood of the region. As I said earlier, the Leederville aquifer is used in so many ways. It is integral to the south-west. It grows crops, it waters stocks and it is intrinsically linked to the superficial aquifers on which our whole region depends.

Our knowledge of groundwater systems, and of the potential impacts of mining on those systems, needs to be expanded. We need more information. The Vasse region also contains coal gas deposits. There have been previous attempts to tap into these gas deposits but they were not commercially
viable. It is the process known as hydraulic fracturing, or fracking, which causes the most concern in the community. This is the process of introducing water and chemicals into a geological strata.

The bill before the House today establishes an independent committee which will provide greater scientific advice to governments on relevant coal seam gas and large coalmining projects, specifically for the protection of water resources. The committee will need to independently assess and provide information and evidence to the community that the process is safe and under what circumstances it will be safe. It will publish options on improving the consistency of research and it will qualify and quantify the risk in plain terms. This is what the community is asking for. The committee needs to deliver the outcomes proposed in this legislation. I strongly support the coalition's amendment that, to deliver that independent result:

… each member of the Committee, except the Chair, is to be appointed on the basis that they possess scientific qualifications that the Minister considers relevant to the performance of the Committee’s functions, including but not limited to ecology, geology, hydrology, hydro-geology, natural resource management and health.

This covers the spectrum that we need on this type of committee. This is the sort of information that we need to be able to give the appropriate level of independent assessment that we and the community all need. The committee will also commission and fund water resource assessments for priority regions. The south-west of Western Australia is a priority region.

There is another process that the Independent Expert Scientific Committee on Coal Seam Gas and Large Coal Mining Development that this bill seeks to establish should examine as well. Although not in its current remit, the committee should examine the potential environmental and broader impacts of geosequestration. The government is funding work to examine the potential for geosequestration in my electorate of Forrest. The proposed South West CO2 Geosequestration Hub would be based in and around the Harvey, Myalup, Binningup and Cookernup areas along the coastline as well as slightly inland. The first exploratory bore has been drilled in Cookernup.

I understand that this process will take some time to evaluate, with some years required to examine the results of the test bore before any further significant action will be taken. But perhaps the greatest threat to the project is the reality that the carbon tax will be short term, because the costly geosequestration process requires significant government subsidisation, and is uneconomic under current circumstances. The International Energy Agency has put the cost of geosequestration at over $70 a tonne. Given that the world has walked away from economy-wide carbon taxes, except Australia under a Green-Labor government, the chances are that the price of carbon will fall, not rise—as we have seen around the world—in a truly free market.

The independent scientific assessment is essential to any potential geosequestration in the South West Hub in the Harvey, Myalup, Binningup and Cookernup areas. To this end, more information is required and the process must be required to meet that same triple bottom line. The people—not only those that currently live in that area but for the future of the Harvey, Myalup and Binningup communities—deserve that level of certainty as well.

Mr ZAPPIA (Makin) (17:45): I speak in support of this Environment Protection and Biodiversity Conservation Amendment (Independent Expert Scientific Committee
on Coal Seam Gas and Large Coal Mining Development) Bill 2012 because I think it is good legislation.

In recent years we have seen considerable investment and development of coal seam and shale gas both in Australia and around the world. It is also becoming clear that Australia has huge reserves of underground gases, including both coal seam and shale gas. On current estimates, it is estimated that there are sufficient reserves in Australia to provide for all of our energy needs for about the next 120 years. It is therefore expected and not unusual to see the level of investment we are currently seeing in gas deposits around Australia. We can expect to see exploration increase in the years ahead and we are already seeing that occur. What is also known is that large quantities of gases are located along the eastern coast of Australia under some of the nation's most fertile agricultural land and in proximity to important underground water storage areas.

What is also known from mining developments already underway is that there are real risks to the environment as a result of these activities. Environmental impacts and damage have consequences for the rest of the community and, in particular, for our farmers whose livelihood is very much dependent on the health of the land and of the water that sustains them. That is why this legislation, which establishes an expert scientific committee to provide advice on coal seam gas and large coal mining operations, is both necessary and timely.

Mining activities are mostly governed by state and territory governments. Federal government interest in mining arises from the Environment Protection and Biodiversity Conservation Act 1999, and it is from that EPBC Act that the committee was established.

The federal government is also establishing a national partnership agreement with the states and territories. Those states and territories which are signatories to the partnership agreement will also have access to the committee's expertise. I note that Queensland and New South Wales have already signed that agreement. I also note that this legislation has been referred to the Senate Standing Committee on Rural Affairs and Transport. Not surprisingly, the Association of Mining and Exploration Companies, AMEC, in its submission to the Senate committee, opposed this legislation. AMEC believes that jurisdiction for mining activities rests with the states and territories and that is where it should remain.

My concern with the existing process is this: the states are all but struggling to balance their budgets. The temptation to approve mining projects without adequate environmental impact considerations should be of concern to all fair-minded Australians.

The mining companies know that it is easier to get approvals if they only have to deal with the state and territory governments—and for that matter if they only have to deal with one level of government.

It was a similar situation in the USA where, I understand, concerns relating to mining activities and approval processes caused the USA federal government and, in particular, their environment protection authority to act in the national interest. In the USA, each of the individual states also previously had control over the approval process relating to mining and exploration activities.

One of the main concerns relating to coal seam gas extraction is both the large volumes of water used and the possibility of contaminating underground water sources. Underground water supplies currently provide substantial quantities of water to our
farmers. If that water is contaminated, farmers' livelihoods are at serious risk. We heard a lot about this in the course of the inquiry into the Murray-Darling Basin that was chaired by the member for New England, who spoke on this bill only a few moments ago. We heard from farmers in that region about their concerns relating to the impact on their water supplies as a result of the extensive mining exploration and activities that have been undertaken in recent times.

Similarly, the restrictions on farmers' draw of water in drought years is difficult to justify when substantial volumes of water are used without restriction by miners. Again, this is a matter that was brought to the committee's attention in the course of that inquiry. It seems that if there were going to be restrictions placed on the extraction of water by farmers then the same restrictions should apply across the board to all those who draw water from underground.

As has been the case in the USA, contamination of underground water supplies may not become evident until some years later, by which time it may be all too late. An additional concern arises when the fracking process, referred to again by the previous speaker, is used to release gas from a coal seam or a sedimentary layer. Fracking often relies on the use of a range of chemicals ranging from harmless through to highly toxic. It is the use of those chemicals that has raised community concerns about the fracking process right across the world. The CSIRO has carried out extensive research into coal seam gas and the fracking process. The CSIRO's research and knowledge in this area will no doubt be beneficial to the expert panel and to the mining industry. We heard from the CSIRO a few weeks ago in this place. The CSIRO provided a presentation to members of this House specifically on the fracking process, and it was indeed a very enlightening presentation. I have to say that, whilst I still have concerns about the process, it was reassuring to know that with the right conditions, many of the risks can be either averted or minimised. Those conditions will obviously vary from one location to another, depending on the soil types. And that is exactly why and where we need to rely on expert advice, because it is not necessarily the same situation in all places. It is understanding those differences that makes a difference in the risks that we might otherwise take and again why it is so important to have an independent expert panel of people to look at the applications that are made.

The question in respect of those conditions then arises: what should those conditions be? It is my view that an independent expert scientific committee is an important step in ensuring that those right conditions are in fact imposed. I suspect that in the past it has not simply been a case of conditions not being imposed for any other reason than that they were simply not known. The risks were not known and the expertise was simply not there to impose the conditions. I understand that, in some of the more recent approvals of these applications, the approvals have been granted in conjunction with anywhere between 1,200 and 1,500 conditions. That is not necessarily a bad thing. It simply means that there has been a level of scrutiny applied to the application process that is absolutely appropriate and ought to be in place before the approval is granted.

Another matter I wish to touch on concerns underground water supplies and why an independent panel of experts will be of great benefit in ensuring those underground water supplies are not in any way contaminated. I refer to the possibility of storing water underground during times of heavy rain. We saw that again in the last
couple of years of above average inflows into the Murray-Darling system, and yet there has been nowhere to store the excess water as it has come down the Murray. It is a bit of a shame because we all know that in years to come we are likely to go into another drought but we have not been able to store the water in the good times.

One of the ways of storing that water is underground. We know that above-ground storage can be controversial and the building of new dams is inevitably met with some resistance. But storing water underground not only is a real possibility but is less likely to be at all controversial. In April this year a workshop of leading groundwater experts convened by the National Centre for Groundwater Research discussed this topic and concluded that large volumes of water could be stored underground. Those same experts identified the eastern Australian areas, where much of the gas stores are located, as possible sites for future underground water storage.

I will repeat that, because it is a critical point. The very areas that we have have identified as possible sites for gas being stored are the areas where we could store water underground. I know the process is being and has been successfully used by the city of Salisbury and other places in the world, including in the US where in Orange County it is reported that around 300 gigalitres a year is being stored. That is more than all the water requirements of the city of Adelaide, where I come from, in a normal year. Underground water may not be visible, but it has been critical to sustaining communities across Australia. Good management of those underground water supplies is dependent on experts in this field.

I would like to finish where I started, by saying that this legislation is good legislation and it is timely legislation in view of the level of interest being shown in exploration activities around Australia. We know we have the mineral resources there. We know we have gases there and we know it is an area of activity that will only grow. It is in everybody's interest, it is in the national interest, to ensure that those activities are managed in the best interests of the nation and that can only come about if we have experts making the decisions, and not politicians who will possibly make them for other reasons.

Mr CHESTER (Gippsland) (17:58): I take pleasure in joining the debate on the Environment Protection and Biodiversity Conservation Amendment (Independent Export Scientific Committee on Coal Seam Gas and Large Coal Mining Development) Bill 2012. The bill establishes an independent scientific expert committee, and its roles will be to provide scientific advice to governments on relevant coal seam gas and large coal mining projects and commission and fund water resource assessments for priority regions.

As the member for Makin has said, this is an important piece of legislation. Although much of the focus on the issue of coal seam gas has come about through conflict and competing land-use pressures in states such as Queensland and New South Wales, this debate is also particularly relevant to Victoria, both today and into the future. There are some active licence applications for exploration in Victoria and in particular in the seat of Gippsland, where the debate over coal seam gas is certainly emerging as a significant issue. The development of this scientific committee has the potential to add some scientific rigour and some objectivity to a discussion that unfortunately at this stage has been hijacked to a large extent by emotional and some unsubstantiated rhetoric, primarily through the extreme Greens
movement in Victoria. I do not think they are being very helpful at all in terms of their participation in this discussion in Victoria. In fact I would suggest they have not been very helpful in participating in a debate anywhere in Australia, but certainly in Victoria the emotional and subjective language which is being used and the divisive nature of their campaigns have not been of any benefit at all to the broader Gippsland community. If I were to stand here tonight and present my position more broadly, it would be one of cautious optimism about the potential economic opportunities associated with coal seam gas development in the Gippsland region. It is also tempered by a desire to hasten slowly and be sure that we get the processes right and respect the interests of the other stakeholders more generally. I obviously include in that broad statement the landowners themselves and the other important land uses such as agricultural production, particularly when we are talking about Gippsland. I think this legislation before the House is an important step forward, and it may help to resolve some of those issues that I have just touched on already in relation to Victoria.

The committee, importantly, once it is formed, will be in a position to advise on research priorities. It will also be able to advise on bioregional assessments in areas of high potential impact and coal seam gas and/or the large coalmining developments and provide advice to the Commonwealth environment minister on priority assessment areas. The committee will also be able to advise on research and bioregional assessments commissioned by the Commonwealth environment minister as a result of the committee’s advice and also publish options on improving the consistency of research in this area and information on developing leading standards in the protection of water resources from the impacts of coal seam gas and large coalmining developments. I think that is a very important point. I have noticed many other speakers have already touched on that particular issue of making sure that in any standards or any requirements we place on the industry we recognise the absolute paramount importance of water resources and making sure we protect those water resources from the impacts of coal seam gas and large coalmining developments.

It is fair to say that that has been a very contentious issue in Gippsland already in relation to offshore operations associated with the oil and gas industry and the operations of the Latrobe Valley coalfields. The impact on water aquifers in the Gippsland Basin as a result of those activities has been the subject of much debate, and it continues to be of great debate and great importance to the people of Gippsland. So I think this legislation and the formation of the expert scientific committee gives us some heart, if you like, that the research work is going to be done and will inform the future decisions that are made by governments in relation to these major mining developments.

The committee will also be in a position to provide the environment minister and the relevant state or territory minister with expert scientific advice on coal seam gas and large coalmining development proposals that may have a significant impact on world resources. I emphasise that point because it refers directly to the fact that the committee will have a role in relation to the state and territory ministers as well, which, I think, is obviously going to be a critical part of the rollout of any further developments in Victoria.

This issue has exercised a great deal of discussion within the National Party itself. It is fair to say that if you follow the media coverage you will see a lot of discussion
amongst National Party MPs and other regionally based MPs in relation to how we get the benefits of the coal seam gas industry without compromising a key constituency of the National Party—our farmers and landholders. It has caused a great deal of discussion, it is fair to say. It is something that we have kicked around within our own party room but also amongst our broader constituency in our own individual seats.

From our discussions, we have a fairly clear idea of where we believe the development of this industry should progress. Our approach to the coal seam gas resources is probably based on five key principles. Without wishing to dumb down the debate, I would suggest that there are five key principles we refer to. One of those is that no coal seam gas development should proceed where it poses a significant impact to the quality of groundwater or surface water systems.

Another of our principles is to recognise that prime agricultural land is an increasingly important natural asset and must be protected from activities that destroy its capacity to deliver food security not only for our nation but also more broadly for the world. We recognise there is going to be a huge food task and Australia is going to play a part in that, and we recognise that prime agricultural land—although, having put the term 'prime agricultural land' out there, we do acknowledge it is very hard to define what prime agricultural land is—is becoming a scarcity. Quality agricultural land is an issue for us. Making sure that we can allow for continued food security not just for Australia but more broadly throughout the world is one of the key principles that the National Party MPs in discussing this issue have settled on.

We recognise also that there is some conflict between coal seam gas developments and existing residential areas. We believe that people who have bought their own home with a reasonable expectation of being away from mining operations deserve some level of protection from those operations, and they should not end up with coal seam gas operations on their doorstep.

We also believe that landowners themselves are entitled to appropriate pecuniary returns from any coal seam gas which is sourced by reason of access to their land. This is a difficult issue, and I acknowledge that. There is some debate on this particular point, because individual wells may produce at a higher rate than others—so how do you set a level of return for a landowner for something which under our existing legislation they do not own? Nevertheless, we believe it is an important point that landowners who are adversely affected or who provide reasonable access to their land as part of these developments should be properly remunerated in some form.

We also believe—and this is a sticking point, I guess, for all regional MPs; I am sure that it is not just those from the National Party but also those opposite from regional seats and our Liberal colleagues who have this same view—that the regions which already deliver such an extraordinary amount of wealth to our nation deserve to have a return from the operation, whether it be coal seam gas or any other activities. I note one member opposite nodding in agreement. I will not, for the sake of her future prospects in the Labor Party, acknowledge who that is. I think all regional MPs have a particular passion about ensuring that there is a direct return to the communities who generate so much of this wealth. I have seen this in my own electorate of Gippsland.

If I were to be critical in any way of the oil and gas industry's development in my
community—and it is only, in comparison to the broader benefits, a minor criticism—I would say that for over 40 years the oil and gas operations have been in Bass Strait but I still have towns in my electorate which do not have natural gas. Quite frankly, the people in my community find that quite bizarre. You can look out at Bass Strait and see 16 oil rigs from the hills at Lakes Entrance, and you do not have natural gas in your own town. There are many towns in Gippsland in that situation. We would like to see some of the development, opportunities and infrastructure that can flow back into regional communities flow back into the communities that delivered that wealth for our nation in the first place.

The previous speakers have done a very good job in addressing the benefits of unconventional natural gas, but they are worth repeating. Natural gas is a very flexible source of energy. Its high energy content and ease of pipeline transport hold advantages over competing energy sources. It is the cleanest burning of the fossil fuels and, when used for power generation, natural gas emits significantly less carbon dioxide, mercury, sulphur and nitrogen oxide than coal, which is obviously another important fuel in the Gippsland electorate. It provides greater energy security for the Australian nation.

We have abundant and accessible natural gas resources. Our challenge here, and I followed the discussion across both sides of the chamber, is not to be saying 'no', it is to know when to say 'yes' and what appropriate precautions and safeguards to put in place. I have been heartened by the constructive nature of the debate on both sides of the House. It is not necessarily having a shot at the industry, but the industry needs to stand up a bit and take some of the blame for this particular issue. It has lost the confidence of the Australian people in the extraction of coal seam gas.

The industry has an important role to play in itself now to rebuild that confidence. I believe this legislation will help. We are putting requirements in place that will set a very high standard of scientific rigour but the industry itself has to stand up to the plate and build confidence in its future. In order to build support for gas development in areas like Gippsland—and other parts of Australia—the industry has a responsibility to help the public understand more about those developments.

That may be difficult in some regards. Some of the communities we are talking about may have no historic background in terms of oil and gas development, unlike the Gippsland area which has been familiar with oil and gas development over the past 40 years. There are other parts of Australia which have suddenly been exposed to this type of development, never having seen it in the past. The pace of the development has taken some communities by surprise and perhaps the industry has not brought communities along with them. That has been a concern for many regional areas.

The other aspect that makes it a little difficult for the industry is that the industry itself is a very diverse group. You might have small companies with 20 or so employees; you might have independent oil and gas companies right through to international majors that have expanded participation through acquisitions. It is a very difficult industry to get your head around and to set standards where every participant in the industry meets those standards. I have had experiences in my electorate where some cowboys—if I can call them that—have not been well received. They have come along and done some exploration work and left a mess behind for the landholder to clean up
afterwards, and that has disappointed landholders in my region in the past. Then you have other industry participants who are outstanding, who are very good at discussing their particular plans for exploration, for example, and work very well with the landholders.

I put the challenge out there to the industry that they have a role to play in building community confidence. Not just the government here with legislation before the House but also the industry more broadly. They have a role to play in ensuring that they bring the community with them and recognise the importance of negotiating with all stakeholders. It probably comes down to showing some good faith with the communities they want to work in and explaining to them what the benefits are going to be and what the long-term impacts might be, and let the community have that information before they make these decisions. We are talking about informed decision making. I believe the development of scientific advice in this legislation will inform that process very well.

The experience in Gippsland over 40 years with Esso and its joint venture partners has been a very positive one. It has been a mutually beneficial relationship where Esso has managed to source a lot of its staff from our community and has built an enormous reservoir of goodwill within the local community. Companies like that are going to need to draw on that reservoir of goodwill—without wishing to prolong the metaphor of the oil and gas sector—and start explaining what they hope to do in the future if they hope to participate in the coal seam gas developments in my community. The bottom line, and it has been mentioned by several speakers today, is that protecting water is important to everyone, and industry has a role to play in making sure that those impacts are properly communicated and understood.

A debate which is well informed, which is based on the science and in which the community is brought along with the industry is one that can be very constructive and can lend itself to some good long-term outcomes. This is not just for my seat of Gippsland but also for the Australian nation more broadly. Natural gas development does have great potential in regional communities. There is no question that we will have to make sure we utilise a variety of energy sources in the future to secure our nation's energy security.

I refer to the minister's second reading speech, where he stressed the need for that independent scientific advice and the need for the states to sign up and be part of this process. In his concluding remarks, he said, 'These arrangements will provide Australians with greater confidence that projects will be subjected to the most rigorous and objective scientific assessment.' That is the level of rigour the people of Australia expect, and I acknowledge that the people of Gippsland demand that of this government.

Ms SAFFIN (Page) (18:13): I rise to speak in support of the amendment to the Environment Protection and Biodiversity Act. I do so for a very strong reason. I listened to the contribution by the honourable member for Gippsland. He said, among other things, that industry had lost the confidence of the community. I was thinking that I agree with him and they are comments I have made before on the public record, particularly as it relates to coal seam gas mining.

In my area this is a big issue. It is a contentious issue. It is an issue of community debate and the whole community is seized by it. It is one of those issues that has brought together a wide range of people

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right across our community. You have the farmers out with people who, although certainly environmental activists, would not normally be together. There are a lot of people across that spectrum. It has united everybody. In speaking of support for the bill I will tell a bit of a story that gives the experience of my area, and my experience and my advocacy on this bill or the provisions within the bill—what the bill will actually do. When it started, like a lot of issues, we thought, 'Great; we will have more gas. It is clean.' That is what we thought in our local area. There is one valley in my area where a particular coal seam gas mining company had come to seek exploration licences. People were quite excited, thinking: 'This will be good for the region. This will be good for economic development and it is clean—it is gas.' That was the thinking and I was supporting Richmond Valley Council and really wanting something good to happen for them in that area.

Then people started to ask questions about the impact that would have on water. I will separate it from the land issue, because that is a separate issue—although they are all related when you are looking at coal seam gas mining or any mining. People started to ask questions about the water, and we could not get any clear answers from the mining companies themselves on what the data was, what the scientific evidence was, what studies there were et cetera. To some extent, maybe it is too new, thinking: 'This will be good for the region. This will be good for economic development and it is clean—it is gas.' That was the thinking and I was supporting Richmond Valley Council and really wanting something good to happen for them in that area.

Then people started to ask questions about the impact that would have on water. I was drawn to the National Water Commission's position statement of 2010, the Coal seam gas and water challenge. I cannot read the whole statement—it is a two-page statement, so I cannot read it in—but I just want to quote some paragraphs from that statement that alerted me that we have a problem with regard to the water. It talked about potential risks to sustainable water management. But, before it did that, it talked about current projections and it indicated:

... the Australian CSG industry could extract in the order of 7,500 gigalitres of co-produced water from groundwater systems over the next 25 years ... In comparison, the current total extraction from the Great Artesian Basin is approximately 540 gigalitres per year.

Of itself, that may not be a problem, but it certainly alerted me to a problem—understanding a little bit about water and hydrology. The statement went on to say:

- Extracting large volumes of low-quality water will impact on connected surface and groundwater systems, some of which may already be fully or overallocated, including the Great Artesian Basin and Murray-Darling Basin.
- Impacts on other water users and the environment may occur due to the dramatic depressurisation of the coal seam, including:
  - changes in pressures of adjacent aquifers with consequential changes in water availability
  - reductions in surface water flows in connected systems
  - land subsidence over large areas, affecting surface water systems, ecosystems, irrigation and grazing lands.
- The production of large volumes of treated waste water, if released to surface water systems, could alter natural flow patterns and have significant impacts on water quality, and river and wetland health. There is an associated risk that, if the water is overly treated, 'clean water' pollution of naturally turbid systems may occur.


'Clean water' as it is called, has a particular definition, and it is not 'clean water' as we think in sort of lay thinking.

It also talked about the practice of hydraulic fracturing, or fracking—as it is commonly called. Further on it said:

- The reinjection of treated waste water into other aquifers has the potential to change the beneficial use characteristics of those aquifers.

That is just a little bit of what is contained within the statement. But that was enough to convince me that there were some problems around water and that before we said, 'Yes, this is a great thing; we can do this here,' we needed to know exactly what impacts it was going to have on the water in our area.

The other issue that came up was about land. Farmers were concerned that mining companies could go on to their land, they thought, basically unfettered. People said, 'We want the federal government to deal with this and stop it.' A lot of people often say that because they think that the federal government, whoever it is, has the power to do and stop a lot of things. This area comes within state and territory jurisdictions. I have said in this place before that in New South Wales there are about three acts that are particular to mining and about seven that would be implicated within environmental conditions and other standards. That is in the New South Wales jurisdiction. I do not know the other jurisdictions quite so well.

So one of the first things I had to do was look at whether there was anything that we could do at a federal level, apart from speaking out, having a view or looking at it, and I started the conversations with the respective ministers. I noted at the time that the minister for resources talked about the mining companies vis a vis this issue but having to do some work to keep or maintain their social licence. It was really clear that that work had not been done in that area—and that was one of the things that I said. Also, in talking with the local community I said that I would raise the issue at a federal level but that it was a state issue and had to be raised at that level—and it has been.

I spoke in the House last week—I think in the adjournment debate—about how 7,000 people marched in Lismore—in my home town, in my electorate—in opposition to coal seam gas mining. So the horse has already bolted, and the coal seam gas mining companies have lost their social licence—and I think they would have to do a lot of work to get it back with this particular issue. However, I asked the minister to please explore, under the Environment Protection and Biodiversity Conservation Act—which I see has limited applicability in relation to mining, even though you can end up with a whole lot of conditions attached, but particularly to these issues with coal seam gas mining—whether the act could apply in some way or whether or not there is some action we can take so that we have some oversight. I knew that would have to be done with the states and territories. We could not just change the act and say, 'We're going to look at water', which generally comes under state and territory jurisdictions, so there would have to be some sort of conversations around that.

I also had discussions with the honourable member for New England. We share electorate boundaries, so some of the issues that come up are issues in common, and we had conversations about this particular issue. I was exploring whether there was something that could be done. It is not easy, but this amendment to the Environment Protection and Biodiversity Act shows great initiative on the part of the government in coming up with this framework and model whereby we can actually get, for the first time, some scientific data that tells us about the direct impacts of coal seam gas mining in particular
areas regarding water resources. From memory, I think 'water resources' is defined in the bill in the same way as it is in the Water Act 2007. That is one of the big issues that we need to have evidence on.

I note that the bill creates a new division under part 19 of the EPBC Act to establish an independent statutory committee, and then it goes on to talk about what its responsibilities are, such as to advise on research priorities and on bioregional assessments in areas of high potential impact. I thought they were going to cause bioregional assessments to be done, but it says 'advise on' as well. I suppose it would be 'advise on', if they cause them to be done. Then it says, 'advise on research and bioregional assessments commissioned by the Commonwealth minister for the environment following consideration of the committee’s advice.' One of the questions I have been asked is: when they provide that advice, at what point will that be published for the public? That is one of the things people are asking me, and I am not sure on that, but the minister might address that in his speech in reply. The bill also says, 'provide advice outside this scope in certain circumstances.' Obviously that is one of the things that it would do.

I also note that the bill amends section 506 of the EPBC Act to add the committee to the list of committees that that particular division applies to, and it has the effect of protecting committee members' independence. There is some comment about the broad fields that people would be drawn from to be experts to sit on this committee—hydrology, ecology and a whole range of areas, with some scientific background. It is sad in a way, but there is a mistrust in the community at large about experts and what is independent and what is not. I have faith in the scientific data that can be gleaned from this, but the people who sit on this committee will be free from the coal seam gas mining interests. They will primarily be people who are not in that industry but know that industry and are experts in their own areas. These are some of the issues that I have had raised with me by people in my electorate, and I said that I would raise them when speaking to the bill.

I note in closing that the National Water Commission updated its position statement on coal seam gas in April this year, and they said a number of things. They produced the paper titled Onshore co-produced water: extent and management—a good paper, worth reading for those who are interested and engaged in this issue. They also said:

… the Commission encourages the industry to continue to release actual co-produced water data in an accessible format over the entire CSG life cycle … along with other baseline groundwater monitoring data, as an essential element of broader and more transparent reporting.

Then they said:

The principles articulated in the Position Statement remain a robust framework for the implementation of regulatory arrangements for managing the water impacts of CSG development.

In my area, people have said that they do not want coal seam gas mining, full stop. That is a matter that has to be dealt with at state level. (Time expired)

Debate adjourned.

PERSONAL EXPLANATIONS

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (18:28): Madam Deputy Speaker, I wish to make a personal explanation.

The DEPUTY SPEAKER (Ms Vamvakinou): Does the honourable member claim to have been misrepresented?

Mr ALBANESE: Yes.
The DEPUTY SPEAKER: Please proceed.

Mr ALBANESE: Last Thursday in parliament I referred to events in the chamber of 21 June 2000. This afternoon the Leader of the Opposition stated that the claim that I made was wrong. I refer an article by Alan Ramsey on Saturday, 24 June 2000—therefore, a contemporary version.

The article said:

Abbott himself got his marching orders after moving in a threatening manner towards the Opposition benches after Labor’s Graham Edwards, a legless Vietnam veteran, had interjected: “You’re a disgrace.”

I refer also to the Australian today, a blog from the Jack the Insider, which says:

Abbott did not excuse himself from the House directly. Enraged, the former Oxford boxing blue veered ominously towards the Opposition benches.

For a man who has been involved in the odd stink, albeit on the fields of sporting contest, it did look awful or at least potentially so. But Abbott didn’t get far. He presumably thought better of engaging in a physical confrontation with his political opponents and left the chamber under escort.

Tony Abbott had become the first Minister to be punted from the parliament in forty years.

A check of the Hansard will show that I am mentioned in Hansard immediately after the now Leader of the Opposition was ejected from the House. My memory is correct, as other members of the House who were there on that day will confirm. I thank the House.

BILLS

Environment Protection and Biodiversity Conservation Amendment (Independent Expert Scientific Committee on Coal Seam Gas and Large Coal Mining Development) Bill 2012

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Mr COULTON (Parkes—The Nationals Chief Whip) (18:31): I rise this evening to speak on the Environment Protection and Biodiversity Conservation Amendment (Independent Expert Scientific Committee on Coal Seam Gas and Large Coal Mining Development) Bill 2012. This bill establishes the Independent Expert Scientific Committee on Coal Seam Gas and Large Coal Mining Development. The committee’s role will be to provide scientific advice to governments on relevant coal seam gas and large scale coal seam mining projects and to fund water resource assessment for priority regions.

Coal seam gas exploration and coalmining are big issues in my electorate. Over the last couple of years we have seen development of coal mines in quite a few areas of my electorate and, in recent times, exploration for coal seam gas. One of the great problems that we have, particularly with coal seam gas, is a lack of independent information as to what actually lies beneath the surface, and as to what effect the gas extraction will have on those resources. While this bill does not actually propose a change to the environmental laws through the EPBC Act, it will set up the committee and, hopefully, start to garner some of the information that is desperately needed in this debate.

While this bill affects the whole of Australia—we are in a federal parliament—it is particularly relevant to my electorate.
because, while coal seam gas exploration and extraction has been undertaken in Queensland for some years, it is a relatively new industry to the Parkes electorate. Unfortunately, for various reasons, the debate has become quite heated and has polarised many of the communities in my electorate. One of the reasons that there is so much heat in this debate and that communities are so divided is, I think, largely due to a lack of information or, probably, the peddling of incorrect information.

I believe that the long-term role of the area that I represent will be in agricultural production. I believe that the farmers in my electorate will have the ability to be feeding the world in 1,000 or 2,000 years time, just as the farmers of the Ganges, of the Nile and of other ancient civilisations have done. That has got to be the underlying premise that underpins everything we do. The other great issue that we as a nation, and as a world, confront is our finite energy resources. The coal seam gas reserves under northern New South Wales are enormous. Ultimately, we cannot ignore that resource or what it would mean for the economy of this country, or what it could mean to the people in that area.

Unfortunately—and this committee, I hope, will overcome what I am to speak of next—the nature of the location of these gas reserves and the landscape above them is extremely variable. I went up into Central Queensland the week before last to see for myself. I went into the electorate of Maranoa to have a firsthand look at this industry and where it is developing in Queensland. I saw the full spectrum of what the positives and negatives are. In some places in western Queensland, I saw where there seems to be a co-existence between the two industries, between grazing and gas, and it seems to be working quite well.

On the other side, on the Darling Downs, there were laser levelled irrigation fields and much more intensive agriculture, which was set up there because of huge amounts of underground water. I had grave concerns about what was being proposed in that area. In one property I went to, the distance between the irrigation aquifer and the coal seam was only five metres. There were great concerns there—things like the fact that gas pipes have a weight limit over them, as it was told to me, of 10 tonnes. A lot of agricultural machinery now weighs more than that; a cotton-picker, for example, weighs 30 tonnes. There is a whole range of issues there. We need to be sure exactly what is under there and we need to be sure that it will not have a long-term impact. As previous speakers have said, a lot of these access issues are in the hands of the state government. I acknowledge that the New South Wales government is endeavouring to deal with this issue. They have put out a draft proposal, and it has been met with a lot of discussion and quite some criticism. But it is a starting point. They were starting from having no policy at all and having to deal with petroleum exploration licences that were handed out willy-nilly by the previous government. I am quite hopeful that, as they take on board the criticism of their draft and deal with stakeholders, they may come up with a policy that is suitable. Undoubtedly there are some areas where gas and agriculture cannot coexist. But I believe there are other areas where they can coexist, provided it can be guaranteed that it will not have a negative effect on aquifers.

It seems to me from my trip to Queensland that there are three basic issues in the cycle of dealing with coal seam gas. One is the exploration stage—and that is the issue we are dealing with now in Narrabri, Moree, Tooraweenah and Coonabarabran. One of the concerns is that the landholders
realise that the exploration company is not the company that will ultimately do the drilling and extract the gas. There is a concern that there will not be a continuation of an arrangement between two parties and that the information will be sold on to another company that may extract gas. So I believe that there needs to be an agreement on the exploration side of it that does not lead to any expectation that the landholder needs to be involved in the next stage.

With the implementation stage, the construction stage, one of the things I have noticed is that it can be incredibly disruptive, particularly if the contractors that are doing this work do not understand the nature of the agriculture business and are not respectful of the rights of the landholder and his or her management practices on their property. I think there needs to be considerable compensation in the construction phase, which can take quite a few years. And the final stage is the extraction phase. Once the well is in place—and the wells are not on a huge area—presumably the compressor stations would be suitably located on areas that are not prime agricultural land.

But this bill is not to cover those issues. This bill is just to give information that will help sort this process out to either stop this industry in its tracks, where that needs to be done, or to help give greater understanding of how it might coexist, depending on what the case may be.

The other issue is that we are looking at environmental laws. A couple of years ago the member for New England was to introduce an amendment to the EPBC Act. One of my concerns is that the federal government is responsible for water—and that is obviously where that legislation would fit in with water—but, because of the variability of landscape and the variability of the resource underneath, it is going to be incredibly difficult to put in environmental laws that will protect what needs to be protected but allow enough flexibility to take into account the different circumstances in different locations.

Traditionally, environmental laws have not been a friend of farmers. My concern is that, in an effort to solve one problem, we may create another one. I do have an issue with excluding certain areas because, looking into the future, if the scientific evidence comes in that coal seam gas mining can go ahead in certain areas, if the process has been refined so it is not as intrusive and if there is a regular, reliable and suitable amount of compensation to the farmers, I do not think we would be thought highly of if we had excluded certain areas from taking part in an industry that may have been of some benefit to them.

But the real issue is that, regardless of what income may be garnered for farmers, for the country or for gas itself, if it is going to have a long-term negative environmental effect then it needs to be stopped and cannot go ahead. But if it is shown that it is not going to destroy the aquifers and it is not going to affect the productivity of the land, and if there is agreement with the farmer, there needs to be a suitable return.

One of the things I saw on my visits to Queensland the week before last was that there are a lot of people making a lot of money out of the resource industry and some of the deals that have been offered to farmers have been incredibly poor. I am speaking generally here. Some companies have a better record than others, and we saw that from speaking to individuals there, and some farmers who were quite prepared to be involved in the industry were also quite disappointed in some of the problems that arose during the process even though they were quite keen to be involved in it.
This is a red-hot issue across Australia and it is a red-hot issue in my electorate. I am pleased to support this bill. An amendment to be put in by the coalition does not substantially change this bill. We do need independent information, because one of the issues now is that a lot of information is in the hands of resource companies and—without casting any aspersions on that—that level of independence of information is very important. The lack of that information is also glaringly obvious.

It will be interesting to see the Namoi water study, which does cover part of my electorate and maybe part of the member for New England's electorate. It is probably one of the first genuine attempts to get a clear picture of the interconnectedness of our underground aquifers. That report should be out very soon and there will be a lot of interest in what that report shows. But we do have a long way to go. We do need that information, we do need to protect our environment and we do need to protect our farmers' rights. As a nation, we do have a responsibility to harness whatever resources we can in a sustainable fashion.

Mr Stephen Jones (Throsby) (18:46): I come from a coalmining region, the Illawarra and the Southern Highlands. Whether it is the Medway mines or along the escarpment, we have been mining coal in this region for most of the last century. Because of the nature of the chemistry of the mines, and the fact that a lot of the mines involve old workings, they are very gassy. As a consequence of all of this, they have also been extracting methane from the mines in my district for a very long time. For the most part it has just been sent up into the atmosphere or flared; although, more recently over the last decade, BHP—one of the operators of the mines just north of my electorate—has started to use the methane which it extracts from its mines up in Appin to feed into the local energy and electricity grid.

We know that coal seam gas is methane. It is now part of our mainstream energy supply. That is particularly the case in eastern Australia. It accounts for 30 per cent of the domestic gas production of the eastern states and it is a key component of the reticulated gas supply throughout the east coast of Australia. Australia's ability to meet the future east coast gas demand will critically depend on the extent to which coal seam gas and the industry are allowed to develop in a sustainable way. That means we need to understand the impacts of this rapidly expanding industry on our environment, and on our precious water supplies in particular.

In many areas, including parts of my electorate, coal seam gas mining is incredibly controversial. In the Illawarra and Southern Highlands a number of groups have formed to express their deep concern about the impact of coal seam gas and its impact on the environment, particularly the water tables in and around my electorate. There is absolutely no question that the rapid growth has divided local communities. The concern is about whether we know enough about the long-term impacts on our water supplies and, as the previous speakers have said, on the competing land-use priorities and what that means for our food supply and food security. The Illawarra and Southern Highlands regions form a vital part of the Sydney water catchment area so it is not surprising that communities in these areas are raising these concerns.

However, balanced against these legitimate community concerns—and I provide my support to these concerns—is the knowledge that, as an advanced economy, we are energy hungry. The government understands these concerns and is working with the states and territories to ensure that
current and potential coal seam gas projects are developed in a sustainable way and in a way which manages competing land-use strategies. To that end, the Commonwealth is assisting in the formulation of a national harmonised regulatory framework for the coal seam gas industry which will address key community concerns including: water management and monitoring, well integrity and aquifer protection, and the monitoring of hydraulic fracturing and chemical use.

As part of the government's need to better understand the implications of this industry, the bill before the House today will see the establishment of an independent expert scientific committee. This committee will help government develop policy to ensure we can preserve the long-term health, quality and viability of our water supply and water resources, while supporting the sustainable development of coal seam gas and coalmining industries.

Current gaps in scientific knowledge about the direct and cumulative impacts of coal seam gas and coalmining on water resources contribute to the legitimate community concern. In part this is a factor of the rapid growth in production of coal seam gas in Australia that has taken place over the last 15 years. In 1995 the commercial production of coal seam gas was zero, but by 2003 production was at 40 petajoules. By 2006 production had doubled to 80 petajoules, and in 2009 it had more than doubled again to 195 petajoules. This shows that the sudden expansion of coal seam gas extraction is due to new Australian technology and growing demand, particularly from China for cleaner fossil fuels. Coal seam gas and coal can bring huge opportunities, both in investment and job creation, but to do so community confidence must be maintained in these developments.

On 21 November 2011, the Prime Minister announced the government would establish a new independent expert scientific committee that will provide scientific advice to governments in relation to relevant coal seam gas and large coalmining projects that are likely to have significant impacts on water resources. The regulation of coal seam gas and coalmining industries is primarily a responsibility of the state and territory governments who are also responsible for making decisions in relation to the licensing of mining and extractive industries. However, the Commonwealth does have a role in regulating coal seam gas and coalmining proposals where those proposed projects could have a significant impact on matters protected by the Commonwealth Environment Protection and Biodiversity Conservation Act. This includes matters of national environmental significance, actions involving the Commonwealth and actions taken on, or impacting on, Commonwealth land.

Because coal seam gas mining is principally a state and territory issue, and recognising that national coordination is critical, a National Partnership Agreement on Coal Seam Gas and Large Coal Mining development was established through negotiations with relevant state and territory governments. The national partnership agreement commits the Australian government and the relevant state and territory governments to take into account the advice of the independent expert scientific committee in their regulatory decisions. Queensland, New South Wales and South Australia have signed this agreement with the Australian government, and negotiations are continuing with Victoria and the Northern Territory. Following that, an interim independent expert scientific committee was put in place and will continue until it hands over to the independent expert
scientific committee being established through this bill when it passes into legislation.

The interim committee has determined six priority themes for research and knowledge acquisition. These themes are: a risk assessment framework to enable the bioregional assessments; knowledge projects and foundational science to better understand the impacts; capacity building—both infrastructure and people—to better enable research to be done; data strategy and infrastructure to coordinate the information being accumulated; collaboration between major research agencies and institutions by fostering capacity and capability to ensure effective outcomes and processes; and, finally, basin scale modelling which would provide data to support the understanding of risks and foundational research, including engaging with industry and state governments to enable currently collected data to be used effectively.

This bill establishes in law the independent expert scientific committee. It commits the Australian government to investment in public-good scientific research on the actual and potential impacts of coal seam gas and large coalmining activities on water resources, including bioregional assessments of areas with commercially viable coal seam gas and coal reserves. The provisions of this bill will assist all of those who have some concerns about this industry by providing accurate information. The absence of accurate information has, unfortunately, coloured the debate that exists within many communities around coal seam gas and coal seam gas activities.

A celebrated documentary that was broadcast on ABC television over the last 12 months about the use of particular chemicals in the coal seam gas industry in the United States, for example, fuelled considerable concern amongst many communities within my own electorate. What was less known is that many of the chemicals—in fact, the majority of the chemicals that were used in the coal seam gas industry in the United States, where regulation is scant and cowboy activities in that industry were voracious—and many of the activities were banned from use in any of the states where coal seam gas mines are being developed in Australia. It is this lack of knowledge of how the industry works and how the chemicals within the industry work which has led to a great deal of community concern, and it is my fervent hope that the establishment of this expert committee, the development of research and the promulgation of the research will go some way to stemming that concern.

What it will not stem is the legitimate concerns of many communities, including those in my area, about the impact of coal seam gas on the water table, aquifers and our water supply and security. I know this is of deep concern to many within the farming community. It is equally of deep concern for those who have a concern about biosecurity and our environment.

For these reasons, the work that is being done through the COAG process, the commitment of the Commonwealth to work with states and territories around nationally consistent standards for the development and conduct of coal seam gas mines, particularly in mines where there is a sensitivity to water supply and where they are competing with land use for farming and other agricultural industries, is absolutely critical. The community is rightly concerned—and has a right to be concerned—about our future water resources. Once you damage an aquifer, it is almost impossible to rectify that damage. That said, I am confident that, with the best will in the world, with responsible activities on behalf of the mining industry, the body of research can be developed to
ensure that this activity can be conducted in some areas, but not all areas, where prospecting is occurring, and that coal seam gas can continue to be an important contributor to our energy security in this country. As I have already said, it currently contributes around 30 per cent of the gas supply in eastern Australia, and in south-east Queensland the figure is probably closer to 60 per cent. So it is no small matter that we are debating in the House today.

It is my hope that the Commonwealth, working cooperatively with the state and territory governments, will be in a position to put in place the right sort of regulation to ensure that the industry can proceed in a responsible way—in a way that protects our environment and protects land use, which should be protected for agricultural and other purposes, and which does not create the sort of damage to our water tables and aquifers that is feared by many, which has been proved to occur in other countries—and that we can continue to have long-term energy security in this country, including the contribution to that energy security that is represented by the gas industry in this country.

I commend the legislation to the House.

WYATT ROY (Longman) (18:59): I rise tonight to speak to the Environment Protection and Biodiversity Conservation Amendment (Independent Expert Scientific Committee on Coal Seam Gas and Large Coal Mining Development) Bill 2012. In Queensland the coal seam gas industry has seemingly exploded overnight and currently represents around 90 per cent of all gas used in Queensland. It is an industry that is continuing to grow substantially. In Queensland we can expect to see some 18,000 jobs come from the coal seam gas sector and potentially $850 million in revenue each year.

Despite the rapid expansion of this industry there is contention surrounding the environmental impacts of coal seam gas mining and how these might be best managed for all stakeholders. The mining industry and the farming community have a long history of working together in Australia, which has allowed both sectors to prosper. Yet despite this, extensive public debate has surrounded the growth of coal seam gas mining and large coal mining and parts of the community hold grave and often legitimate concerns about what impacts this mining might have on our environment, particularly on our water resources and our prime agricultural land. There are very real environmental impacts resulting from these types of mining. In the past, we have seen problems with aquifers, including the drawdown and the depressurisation of aquifers. The integrity of aquifers needs to be investigated, but this is a manageable issue. Less manageable is the risk of subsidence of the surface land. The process by which coal seam gas is extracted requires an extensive amount of water, and the by-product of this is about 1.8 million tonnes of salt each year.

But of all the concerns raised by the community, water contamination is one of the most frequently raised. Whole bodies of water have the potential to be contaminated, becoming unviable for use, either for general consumption or for farming. It does not take a scientific expert to understand what implications this can have for a family that loses its livelihood, for a farming community that loses its purpose or for a country that loses its ability to support itself with produce. Three types of water contamination can occur. The first occurs through an injection of chemicals during the fracking process, the second is from naturally occurring chemicals in coal seams leaching into the water supply, and the third is
through the removal of quantities of water from aquifers or coal seams.

Water contamination is a real threat, but it is one that can be avoided, and it is one that this bill seeks to address. The primary purpose of this bill is to establish an Independent Expert Scientific Committee on Coal Seam Gas and Large Coal Mining Development. This committee will be an independent voice in the highly charged decision-making process about mining applications. This committee aims to make a positive step towards improving public confidence in the environmental integrity of the industry—confidence that is needed.

The role of this expert scientific committee will be to provide detailed scientific advice on coal seam gas and large coal mining projects that come before the committee as well as to commission and fund water resource assessments for priority regions. This advice will be provided to federal, state and territory governments that are signatories to a national partnership agreement. These signatories, which include my own state of Queensland, will be required to seek the advice of the committee when considering applications before them for coal seam gas and large coal mining developments when they have a significant impact on water resources.

The scope of the committee will be specific, although in certain circumstances there will be the opportunity to provide advice outside this scope. The committee will be tasked with providing advice on applications in the areas of high potential impact from coal seam gas or large coal mining developments. The committee will then provide this advice to the environment minister. The committee will also provide expert scientific advice on mining proposals that may have a significant impact on water resources, and this advice will be provided to the relevant government minister—whether they be a state, federal or territory minister.

Research is a key priority for this industry. With extensive confusion and a lack of knowledge surrounding the process of mining, more information is urgently required to inform future application decisions and the public debate. Research findings will further increase the quality of the advice that the committee is able to provide to stakeholders. For this reason, the committee will provide advice on research priorities for this sector that will steer the direction of research into areas that will contribute most value to scientific expertise. In line with this, the committee will also hold the power to publish information about improving the consistency of research in this sector.

While I support the goals this bill seeks to achieve, I do not believe it will truly provide the quality of information that is the authors' hope. Expert knowledge is desperately required in the decision-making process. But what determines an expert? Does a school science teacher qualify if he has studied geology? Under this bill, he just may. But understanding the environmental implications of coal seam gas mining and large coal mining in different environmental landscapes is a specific field of knowledge, and the consequences for failing to understand these environmental implications are far too great to risk misinformed advice. The advice that the committee provides needs to be of the highest standard, with great scientific accuracy—advice that can only be provided by individuals who are advanced experts in fields of study related to these processes.

This bill also does not limit the scope of scientific fields that members of the committee could have. For a committee that is providing advice on extremely specialised
cases, it follows that the scientific backgrounds should be equally specialised. Geology, hydrogeology and hydrology are relevant to and focussed on the implications of coal seam gas mining and large coal mining. It is logical and sensible then that the committee members should have expertise in these fields. Information gleaned from other fields may be superfluous and only confuse and complicate the committee's advice. It is for this reason that the coalition has proposed an amendment to the bill. The amendment suggests that in order for this committee to fulfil its purpose, both to provide public confidence in the application decision-making processes for these mining applications and to provide specialised expert advice, the bill should require a majority of the members not just to have qualifications in the relevant fields, but to have advanced qualifications and expertise specifically in the fields of geology, hydrogeology or hydrology. This amendment will create greater transparency and accountability for the committee as it goes about its work, inspiring confidence from the public and from stakeholders that its advice is scientifically accurate. It seems that those opposite believe that the difference this amendment makes is trivial. I can assure you it is not trivial. This committee is being established to tackle development applications with serious implications for both the environment and the economy. The purpose of this committee is to provide expert scientific advice about the environmental implications of mining applications. The subject matter is specialised and has enormous community importance. Any environmental deterioration or implications as a result of coal seam gas mining or large-scale coal mining will have long-term consequences for farming and the goods farmed on this land as well as for regional communities and for our ability to be able to support our country with produce in the future.

So the difference that the proposed amendment requires is in no way trivial. I believe—and, I venture to say, so too would many other Australians believe—that maintaining the integrity of our environment, including our water resources, is highly critical. I for one want to have confidence that the people installed on this committee are the best in their fields with the most up-to-date, relevant information at hand and that they have the experience to back it up. I want to know that our farming land will be maintained for generations of future Australians to support our growing population into the future, and I want to know that the people making the decisions on this issue are the best in their field and are able to make the best decisions possible.

My home state of Queensland faces many challenges both now and into the future in the way it manages its natural resources. As a state we are rich in energy and resources, and these resources have come to play an important role in Queensland's economy. But, as I have said in this place before, our country will face challenges into the future, including the challenges of restructuring our economy post the current mining boom. As a nation we must meet these challenges from a position of strength. We must take advantage of the opportunities we have now without becoming solely dependent on our energy resources to provide for our future.

These advantages include coal seam gas mining and large-scale coal mining. While these resources have a part to play in our economy and the ability to generate wealth, we cannot approach mining these resources with rose-coloured glasses. It will cloud our ability to make decisions on a case-by-case basis according to the environmental implications of projects. We cannot continue
in the same direction that Queensland's economy was heading in under the stewardship of the Bligh Labor government—that is, an increasing dependence on the wealth created from mining of our resources.

The coalition does support the expansion of coal seam gas where it is in harmony with the rights of landholders and where it is not a present risk to the protection of prime agricultural land—that is, when we can be certain that there will be no adverse environmental impacts on agricultural land. It is for this reason that this committee will play an important role.

I take this opportunity to give my congratulations to the new member for Pumicestone and my state colleague, Ms Lisa France, who was recently appointed Queensland's Assistant Minister for Natural Resources and Mines. I look forward to working with the member for Pumicestone in her capacity as both a local member and an assistant minister on the important issues I have just spoken about: preparing for Queensland's future, taking advantage of the current mining boom and preparing our state and our nation for a post-mining boom economy.

In conclusion I say that it is important that pragmatism prevail in this debate. Ultimately, if there is a significant economic advantage to be had as a nation—advantage that does not have an adverse effect on the environment—then we must take hold of that opportunity. When in certain circumstances adverse effects arise that have the potential to affect our prime agricultural land, an appropriate check and balance must be put in place to ensure that such effects are not felt. This pragmatic response is exactly what the coalition seeks to make. I commend our amendments to the House.

Mr BUCHHOLZ (Wright) (19:11): I also rise today to speak on the Environment Protection and Biodiversity Conservation Amendment (Independent Expert Scientific Committee on Coal Seam Gas and Large Coal Mining Development) Bill 2012 currently being debated by the House. As you are all well aware, the bill will formally establish the Independent Expert Scientific Committee on Coal Seam Gas and Large Coal Mining Developments. The committee is a positive step forwards in improving public confidence in the environmental integrity of the industry, and the coalition will not stand in the way. The committee will provide scientific advice to government on relevant coal seam gas and large coal mining projects as well as commission and fund water resource assessments for prospective regions.

However, Deputy Speaker Georganas, I ask you today: would you want your home or your land or your future and that of your family invaded by a mining company with no regard for how it will impact your livelihood? I absolutely associate myself with the comments made earlier by the member for Groom, Ian Macfarlane, calling for the employment of committee members with industry specific and technical qualifications, including geology, hydrogeology and hydrology. As the committee's fundamental reason for existence is to provide advice on scientific issues relating to water associated with coal seam gas and coal mining, affected landholders need greater certainty that appropriate regulations will be put in place and provide them with the confidence to believe that the industry is sustainable and reliable.

On behalf of my constituents of Wright, I am concerned about the environmental integrity of the coal seam gas industries that will be undertaking these developments.
While I am not opposed to mining—in fact I support mining in the Surat Basin, the Galilee Basin and in Western Australia—I am making every attempt to bring my mind to the importance of greater economic commercialism between the landholders and the coal seam gas developers.

As some of you may know, coal seam gas is accessed via wells drilled down into and in some cases along the coal seams. Large quantities of underground water are removed to release the gas. The process is sometimes sped up using the controversial Hydraulic fracking method, meaning that a mixture of sand, chemicals and water is injected underground at high pressure to shatter the coal seam and rock. My electorate of Wright encompasses numerous agricultural industries, including horticulture, dairy, cattle and cereal crop production and is often referred to as the food and fibre basin of Australia. The farmers affected by these coal seam gas developments care for the environment—they know the importance of protecting it for future generations and, furthermore, they want to protect it because it is in their blood. Of utmost concern to the people of my electorate is the protection of the watertable. We cannot afford to risk our water supply as it is vital to our livelihood and, most importantly, to the food and fibre production of our farms. Farmers are concerned that if water were contaminated by coal seam gas developments there would be no way to prove contamination had occurred unless immediate scientific research were undertaken.

Failure by coal seam gas and mining developers to engage with the communities in which they are to operate has added to the increased level of concern among landholders. The Queensland Water Commission last week released the draft Underground water impact report, which has found that 85 bores were expected to be affected by coal seam gas developments within three years and 528 bores in the long term. These were among some 21,000 private bores in the Surat Basin in western Queensland, and the report is one of the first independent assessments of coal seam gas activity.

The delivery of reports such as this demonstrates the need for independent scientific assessment of coal seam gas developments because of the information they provide. Furthermore, the employment and advice of expert hydrologists and geologists is paramount in giving a scientific understanding to government and landholders of the long-term effects of coal seam gas mining and coalmining developments. We need to ensure that we know, if the risks are too great, what other options are available, because our food basin is simply too valuable.

We have been assured that the committee will produce scientific knowledge that will provide greater certainty to regional communities around the coal seam gas and large coalmining developments. I question the interpretation of what ‘certainty’ means. To whom will it deliver certainty? To the constituents being affected by coal seam gas mining and other large coalmining developments? To the local landholder whose land has been invaded? Or is the government referring to greater certainty for the coal seam gas companies who will be making millions at the cost of our growers and rural businesses who are the primary targets of these developments? I am talking about those Australian farmers who put food on our table, often with little or no thanks.

According to the government, the establishment of this committee will provide local communities and other stakeholders with scientific information that will build confidence in government assessment.
processes. I hold serious doubts that the government is sincere in its commitment to providing accurate scientific information on how coal seam gas and large coalmining developments will impact upon affected regions. I am sure that many of my constituents in Wright will be more than willing to highlight their concerns, not for the sake of saying so but because it affects them and their families directly.

I also raise the significant concerns of my constituents about the difficulties they will face with land access and about the lack of appropriate compensation. The rights of development companies over the rights of landowners is an ever-growing concern with coal seam gas mining and large coalmining developments. I am referring to land which is precious to our farmers and the Australian community, who would rather not see their food supply destroyed. There may be some landowners who are willing to have work undertaken on their property and receive payment for that, and circumstances such as this are acceptable because they are on a cooperative and transparent basis. However, the integrity of our underground watertable must be paramount and upheld, thus not affecting the neighbouring commercial farming practices. The affected communities need to be assured that the coal seam gas mining will not harm the environment and that the co-existence issues between landholders and mining companies are open and transparent.

If a mining company was to walk into your apartment on the 22nd floor and move into your third bedroom and start drilling, you would be appalled. So I ask you: why is it acceptable for mining companies to have legal access to prospective development sites?

As a final point, I draw attention to the issue of landholders not receiving fair compensation. As I have said before, protection of farmland is paramount and the region is not interested in tapping into the economic benefits of coal seam gas mining. However, compensation means affected landholders can make accurate and informed decisions about their future. Furthermore it will provide opportunities for the local community, where the money can be spent.

Australia has some of the most beautiful, iconic farming land, and I make particular reference to the seat of Wright. I believe that there seems to be an overall willingness in my electorate to protect that farming land. I take this opportunity to welcome the Queensland state government's election commitment to make sure that vital cropping land, such as in the Scenic Rim shire, is protected. I look forward to working with the committee to ensure that we shift away from accepting the 'unknowns' and replace them with 'knowns'.

I also take this opportunity to inform the House of why iconic farming land is targeted for exploration and drilling. To use an analogy, the mining or the gas exploration companies are picking the low-lying fruit. You can see this if you juxtapose two positions. If the mining companies were going into country west of my electorate where it is heavily timbered, there would be the cost of clearing that vegetation and the cost of machinery and fuel to get into those sorts of remote areas. As well as the cost of clearing virgin scrub, there would be the time delays imposed by the state government—the green tape—and there would be the cost of pushing in access roads and of running in power, which I assume would all be part of the due diligence process. On the other hand, iconic farming land is mostly flat with very easy access, normally by bitumen roads, it is always cleared of vegetation and it is mostly in close proximity to power used in irrigation. So,
when making an argument about compensation, if the costs associated with extraction of coal seam gas in less favourable areas were to be amortised across the operation, those compensation costs should be shared with the farmer.

I do stress the point that protection of our watertable must be paramount. The integrity of the watertable must be maintained. If a compensation agreement is raised between a farmer and a gas exploration company where fracking is undertaken, it would be unwise for one farmer to exploit compensation payments and have the integrity of the watertable damaged to the disadvantage of neighbouring farmers. That circumstance would not have my support. I support the amendment so that the committee has the relevant skill set covering hydrology and geology.

Whilst I have in the Scenic Rim a very vocal community about their position on protection of the Scenic Rim, there are other sectors of my electorate—the Lockyer Valley and Gatton—that do not have the protection that was offered by the state government. The amendments we are putting forward will hopefully go to protecting the underground watertable for the businesses there, because we will have accurate data based on science to use in making assessments as to whether there should or should not be investment in coal seam gas in those areas. The watertable must be monitored prior to drilling and then after drilling, and the information on any impacts must be shared with the public and the landholders and must be independent, as opposed to being, as I believe it is at the moment, under the auspices of the mining companies.

Mr BALDWIN (Paterson) (19:23): I rise today to speak on the Environment Protection and Biodiversity Conservation Amendment (Independent Expert Scientific Committee on Coal Seam Gas and Large Coal Mining Development) Bill 2012. What this bill seeks to do is to establish an expert scientific committee to provide specific scientific advice to federal, state and territory governments on coal seam gas and large coalmining developments where they may have significant impacts on water.

I speak on this bill because I actually do not know any of the answers to the questions my constituents put to me. My constituents in the electorate of Paterson and surrounding areas quite regularly come to me and raise a number of issues—in particular, about chemical and hydraulic fracking. I am not a geologist; nor am I a hydrologist. I actually do not understand these impacts, and I cannot answer on them. I am actually quite glad that this government will spend $150 million establishing a scientific committee. But I do ask that that scientific committee has a broad and deep range of people who are not just biased in a single direction, as we saw in much of the climate change debate where it was quite regularly said to us, 'The overwhelming opinion of this scientific committee is this.'

I would prefer that this committee was established on expertise and had a broad range of opinions. Perhaps that is why I am actually encouraged by the motion that has been foreshadowed by the member for Groom, Ian Macfarlane, where he wants to insert that the minister must also ensure that the majority of members possess scientific qualifications and expertise in one or more of the following areas: geology, hydrology, hydrogeology and ecology. This is critically important. The last thing that I would like to see is this government establish a committee that just basically produces a snowball effect.

I also refer to some of the great work being done by Senator Bill Heffernan, who
chaired an inquiry into the management of the Murray-Darling Basin, including the impacts of coal seam mining. The inquiry covered areas including:

- the sustainability of water aquifers and future water licensing arrangements;
- the property rights and values of landholders;
- the sustainability of prime agricultural land and Australia’s food task;
- the social and economic benefits or otherwise for regional towns and the effective management of relationships between mining and other interests; and
- other related matters including health impacts.

In my electorate, next to the impact of the carbon tax this is perhaps one of the most strongly discussed and debated issues there are. There are issues primarily because people feel that their land rights are being infringed. There are issues because people have concerns over our prime agricultural land being consumed for mining and coal seam gas, and about the longer-term food security for our nation—indeed, not only for our nation, given the amount of agricultural product that we export and the increasing number of mouths to feed, particularly in Australia and to the north of us.

People also come to me concerned about the stretch up the Bucketts Way, all the way from the Pacific Highway down near Limeburners Creek up through Allworth and Stroud to the watershed, Craven, and then further on to what used to be in my electorate around through Gloucester and the Barrington Tops, which is now in the member for Lyne’s seat, where companies are now implementing test drilling for coal seam gas. A number of leases and exploration licences were handed out by the former state Labor government just immediately prior to the election. The community is up in arms. I can understand that, and I share their concerns. In fact, I have been to a couple of meetings with the Lock the Gate group and listened to their concerns.

As I said right at the beginning of this speech, I do not have the answers for them, because I actually do not understand all of the arguments or have the quality research. It is easy to find the research which is pro fracking. We have already seen instances in our area where the mining has occurred. There is probably no stronger supporter of the mining industry in Australia for the jobs and the economic benefit it brings, but whenever the community has genuine concerns then I have to raise those on their behalf. And I have concerns because I do not have enough knowledge about the impacts on our aquifers.

There is a saying: there are no second chances at first impressions. If the homework and the scientific research is not done and the answers are not known before we go down this path and, perhaps, either upset the flow of the subcutaneous aquifers or indeed pollute them, there could be long-term effects that could never be redressed. There are no second chances at first impressions, so we must get it right if we are to go down this path.

The other thing that concerns me is that there seems to be a massive acceleration of the need to get the coal seam gas out of the ground. It is almost an at all costs approach and that is being driven by the economic fortunes of rising companies rather than the need to supply demand for our gas. We need to tread very carefully on this. My primary concern is the wellbeing of my constituents and of the environment in which we live. Steps taken without proper and adequate research based on full independent analysis only increase my concerns. I have seen documentaries that have shown that, through chemical fracking, there has been pollution
of the subcutaneous aquifers which has then
gone into the dams. We have to acknowledge
that Australia is a relatively dry nation—but
somehow, in a lot of areas, we seem to farm
it as though it is a wet nation. We rely on our
water storage for our dams and our
agricultural industry, whether that is growing
food or producing beef or lamb. Our
communities are very finely and sensitively
balanced. At times it is not the most
ecologically viable business to be in but
these people who farm our lands are
absolutely passionate about what they do.
They are passionate about their farms, their
communities and the environment in which
they live.

Quite often we hear various focus groups
attacking farmers for not being
environmentalists. In my dealings with the
farmers in our communities I find that they
are some of the strongest environmentalists
that I know. They understand that if we do
not treat our land well then it will not
produce for the future—whether it is rotating
crops, making sure they plant the right crops
to give longevity to the land and make it
sustainable, making sure they are not over-
irrigating, making sure they are not
overfertilising, or adhering to good runoff
practices which can affect the water supply
to others downstream.

So I say to this government: as you
establish this committee, pay heed to the
wise words of the member for Groom, Mr
Macfarlane, who has put forward in an
amendment suggestions about people to
include, which will be debated a bit later on.
The second thing I say to you, as you
establish this committee, is: make sure that it
is not a biased community with a
predetermined outcome in their findings.
Most importantly, in working with the state,
territory and local governments, make sure
that you take the community on the journey
with you so that they have a full
understanding of the process and the science
if this coal seam gas is to be extracted in
their communities. So far all I have seen is
division in my community. People feel that
they are not informed and that their land
rights to property they own are being set
aside for the sake of someone who holds an
exploration licence or a licence to extract on
their property. There are a number of these
clean seam gas basins or deposits throughout
Australia and I do not think there needs to be
any rush to extract coal seam gas from them
in areas which are prime agricultural areas or
where there is heavy residential or farm style
build-up. There are plenty of areas which are
broadside from which the gas can be
extracted.

I hope that the government acknowledges
the contribution of all members of this House
and their concerns on behalf of their
constituents; and I hope that the coalition can
work with the government to achieve an
outcome that, in the long term, supports and
benefits our community and the industry
alike. I commend this bill to the House and I
will be supporting the amendment
foreshadowed by my colleague the member
for Groom.

Mr RAMSEY (Grey) (19:34): I rise to
address the Environment Protection and
Biodiversity Conservation Amendment
(Independent Expert Scientific Committee
on Coal Seam Gas and Large Coal Mining
Development) Bill 2012. The potential for
clean seam gas extraction, particularly in
eastern Australia, is enormous. Already the
estimate is there is more gas contained
within the rocks of Queensland and New
South Wales than there is under the sea off
the North West Shelf of Western Australia.

Unfortunately, along the way, coal seam
gas extraction has become a highly
controversial issue. It is estimated there will
be something like 40,000 coal seam gas
wells within Australia and the estimates suggest that coal seam gas wells could extract anywhere from 125 to 300 gigalitres of water from the ground each year to facilitate that extraction. That, of course, is one of the key issues that communities are concerned about. The modelling suggests the industry could produce 31 million tonnes of waste salt over the next 30 years—and in anyone's terms that is a big pile of salt!

On the benefit side, Queensland stands to extract up to $850 million a year in royalties from the industry and New South Wales somewhat less, but still a significant amount of money. There is great potential for new industries to be established from the new desalinated water sources, so there is plenty of upside. It is estimated that Australia has 200 years supply of gas and great potential to discover more than that. What this means for all Australians is that this industry is going to be developed one way or another. It is our job and our chore to make sure it is developed properly and that the side effects are minimal.

One could well ask why a member from South Australia would be so interested in this industry, which is idiosyncratic in that it is basically confined to Queensland and New South Wales. But I see many correlations in the establishment of this committee to oversee and provide scientific advice to state governments and to my electorate. My electorate, which covers 92 per cent of South Australia, has enormous interest at the moment in its resources. With respect to those correlations I talked about, for a start, South Australia is home to over 50 per cent of the installed capacity of wind generators in Australia. You might ask what wind generators have to do with coal seam gas. They are an intrusion on people's properties. They operate on arrangements the wind farm generators make with the holders of the property, to pay them a rental each year for allowing the company to operate their wind farms on the landholder's property. They have become quite controversial for a number of reasons, including low-level noise. But those arrangements that those operators make are very similar to the arrangements made with farmers who are going to have coal seam gas extracted on their property.

Another correlation is the possible interference with underground aquifers. As I say, I represent a lot of the state but I live on Eyre Peninsula. It is a significant region within itself. Until very recently it was unconnected to the River Murray. The Eyre Peninsula region uses about nine gigalitres of water a year. As I said, until recently all that water came from underground aquifers predominantly at the bottom end of the peninsula. Over the years we have managed to destroy or certainly disable a number of aquifers that previously supplied the peninsula. Residents of Eyre Peninsula are very sensitive about the fact that we may interfere or overpump the current aquifers, because there really are no second options. Currently, a number of companies are very interested in digging up iron ore from within the area that is the home of the aquifers. That has a great correlation to the coal seam gas industry. People are concerned about what this will do to their underground water supplies, not so much from contamination but more to the dewatering process itself. Will it depressurise the basin? How interconnected are the basins? Does the water from one area run to the next? Those are hydrology issues that also affect the coal seam gas industry.

One other great interface I see, as these industries develop around South Australia, is the interaction between mining and agriculture. This will be the big issue of the first half of the 21st century for the development of our resources. It is not so
bad when minerals are found on so-called pastoral country where they do not make much of a footprint—and we are talking about lower production country—but where it actually intersects with farming country there are always bound to be different points of view.

Currently, Rex Minerals are developing large copper resources on the Yorke Peninsula. Yorke Peninsula has some of the best agricultural land within the state. We recognise there are billions of dollars at stake here, but we also understand why farmers and local communities are very concerned about the way that their land may be alienated, perhaps permanently.

In another area, over on Eyre Peninsula, once again around Warramboo, a large company, Iron Road, is looking at mining significant iron ore deposits, with exactly the same outcomes. We are we likely to see acid leach uranium mining across quite a number of farming areas. That would be very similar in nature to the outcome with coal seam gas extraction. I see a lot of similarities.

Any work the expert committee may do in relation to coal seam gas may well provide, at least, a pathway for us in South Australia to learn from their methods and how we manage the challenges we face. The committee will have the power to investigate and give impartial advice to relevant bodies and, as I say, in most cases this will be the states themselves, because there is one thing that we do realise—and this follows the government's moves on the mining tax—that the resources do in fact belong to the states.

I should dwell a little bit on the water issue because I think this is the biggest issue and the biggest concern about coal seam gas. As our understanding in Australia of aquifers is still far from perfect, we do not really understand how fast the water moves from one area of an aquifer to another and how they are interconnected. For instance, many scientists around the coal seam gas industry are telling us there are no leakages between aquifers. But, in some ways, we will not know until we try. That is why it is very important to have independent monitoring in place. Many of the proposed areas that will be exposed to coal seam gas extraction are actually the recharge of the Great Australian Basin and that is very important water resource for the state of South Australia.

Much of the outback of South Australia relies entirely on the resources of the Great Australian Basin. While we are aware that the miners—and I will call them 'miners' for the purpose of the extraction of coal seam gas—are not targeting those aquifers that are the Great Australian Basin, in fact, they have to drill through them and there is the possibility of leakage. We are talking about thousands of kilometres away, but depressurisation in the basin at any point is likely to have, at least, some effect.

This is not a new industry worldwide, but it is a new industry for Australia. That is why the establishment of this body, at least in the interim period, will have a good outcome. Because there is potential to effect a far larger footprint than just the locality where the extraction of the coal seam gas takes place, there are bound to be some errors in the establishment of this industry and it is important that we learn very quickly about any mistakes that may be made. If an area is depressurising, then not only do we want to know what is going on in that particular area but we want to know what the lessons are for other areas.

I have had a number of very good briefings in this area, as I am sure almost every member in this place has had. But it does not matter how often we sit through a briefing, there is much we do not know about this issue. That is why it is particularly
important that the bona fides of this committee are beyond reproach. That is why the member for Groom has foreshadowed amendments to the effect that we believe the very scientific rigour of this committee should be beyond question and that it should be solely focused on scientific outcomes and should not be swayed by other interests. It is for other people—for other bodies, for parliaments—to make decisions about what we do with that scientific information; but it is important that we get the facts.

Another issue—and I touched on it briefly when I was talking about mining in South Australia—is the right of landholders to be compensated for the industry's operating on their properties. One of the things I am not sure the mining industry has got right is the code of silence that operates around contracts with landholders to mine on their properties. It is far from a transparent process. Typically what happens is that, if a mining company wants to mine a landholder's property, they do individual deals with the owner, with his neighbour and other neighbours around him and sign confidentiality clauses when they sign the deals. This leads to in-community tension. The fact that a neighbour may achieve a better price than you is not necessarily a good outcome in fostering trust. There are people who feel as though they cracked too early and that they could have got more out of the mining company or whatever.

I have spoken to many mining companies and said, 'I think you should err on the side of generosity,' because, in the overall scheme of establishing a mine, the compensation paid to the landholder is little. I am a landholder, and I have always known that really we only control the top couple of feet of the soil and that the people of the state are the owners of the minerals or whatever wealth is within that land. So I presume that, if there are billions of dollars sitting below my farm and my farm is worth, say, a few million, in the long term I am going to lose the argument.

Because the relative compensation is low, I would like to see the mining industry adopt a code of conduct that would say, for instance, 'If we want to take over your property, we are prepared to give you, as a baseline, three times its current trading value.' If deals were like that—in the open—and everyone understood them, I think you would find farmers opening the gate rather than standing at the gate on the barricades. The same would apply to exploration. If you lived on a very nice property but found that you could buy a property three times the size or three times the value—higher rainfall country or whatever—with whatever payout, that would help you get over the pain. I think that, if we had that sort of open negotiation process where people actually understood what the bottom line was before they opened the gate for the miners, we would see a much more welcoming attitude from farmers. I do not see any great moves in South Australia for the South Australian government to establish that arrangement, but I promote it as I travel around my electorate and talk to mining companies.

As I near the end of my time for this contribution, I go back to this committee and its role. Largely, it is about Queensland and New South Wales. But, as I have said, the interface between agriculture and mining is an Australia-wide phenomenon, and it is going to occupy a lot of our time over the next few years. I reiterate my support for the amendments the member for Groom has already foreshadowed to make sure this committee is rigorous, robust, independent, scientifically based and presents the facts to the decision makers.

Dr STONE (Murray) (19:48): I too wish to speak on the Environment Protection and
Biodiversity Conservation Amendment (Independent Expert Scientific Committee on Coal Seam Gas and Large Coal Mining Development) Bill 2012. I applaud the notion of introducing an independent expert scientific committee. We should have had such a committee looking at coal seam gas and large coal mining developments quite some time ago. The foreshadowed amendment to this bill coming from the coalition is that each member of the committee, except the chair, be appointed on the basis that they possess scientific qualifications that are relevant to this issue, including ecology, geology, hydrology, hydrogeology, natural resource management and health. This is just plain common sense.

Quite self-evidently, coal seam gas extraction is a very new industry. There was zero production in 1995—a very short time ago. Today, there seems to be a gas rush. When we were doing the inquiry as the House of Representatives Standing Committee on Regional Australia in May 2011 we were in fact looking at the impacts of the guide to the Murray-Darling Basin plan, and we were so often asked by Queensland and northern New South Wales submitters to consider the impacts of coal seam gas exploration and mining on the groundwater systems and the agribusiness viability in those parts of the country. The submitters were very concerned about the environmental impacts of CSG, including the contamination of aquifers through leaching of wastewater, changes in aquifer pressure and potential destruction of aquifers, contamination of the land, reduction to surface flows of interconnected systems and the intensive use of basin water by coal seam gas operations. We took a lot of evidence about all of those matters.

There seemed to be, in particular, a concern that the coal seam gas rush was proceeding with very limited research and understanding of the long-term or even short-term consequences. There was some reference to what had happened in the United States, but often this was related to shale rather than to coal seam gas extraction. But, quite clearly, there have been horror stories in the USA about risks to health, damage to aquifers, surface water pollution and the like. So we need to learn from other countries, and this independent expert scientific committee will be one step towards making sure that we do not allow our country to become another in the long list of mining disasters.

Today there are more than 4,000 kilometres of gas transmission pipelines related to the coal seam gas industry. In Queensland the number of coal seam gas wells has increased from just 10 per year in the early 1990s to over 735 in 2008-09. So this is a massively increasing industry. The coal basin of Queensland and New South Wales covers extensive areas of eastern Queensland and northern New South Wales, but unfortunately those same areas coincide with some of our richest soils and some of our highest producing agricultural lands. They also coincide with the Great Artesian Basin, in many areas, and other major aquifers. Coal seam gas can help to lower greenhouse gas emissions—if the gas is, for example, methane and it is replacing the burning of coal or oil—but there are other gases associated with the coal seams which are not so wonderful. We have to make sure that what we are doing is going to improve our situation in the long run. Of course, water is a by-product of the gas extraction and the quality of this water varies from place to place, but too often it needs treatment if it is not to become a contaminant in storage ponds that lie awaiting evaporation or seepage into the landscape. Problems in the USA with water extracted from shale gas production have now led the
Queensland government to amend the Environmental Protection Act 1994 to limit the construction of these evaporative storages on the surface. That is a good move, but there are already many in existence and I am concerned about their leakage and seepage, not to mention the impact on the landscape values.

There are also concerns about the use of the so-called fracking fluids. The Australian industry claims that fracking fluids used in Australia are safe and do not contain carcinogens such as the BTEX group that led to the disasters in the United States. New South Wales and Queensland have now banned the use of BTEX in coal seam gas extraction in their states, and the chemicals used in fracking fluids are required to be listed in the national chemical inventory. However most of these chemicals have not been assessed by the National Industrial Chemicals Notification and Assessment Scheme. This is a problem. Those various chemicals need to be assessed urgently. That is why this expert committee is very much needed. The committee will need to look at the human health issues, the water issues and the issues associated with hydrology and geology, but it will also need to look at issues related to our food production in Australia and how we can ensure that we do not have a short-term gas rush at the long-term expense of our own national food security.

I am most concerned that, at a time when we are identifying a growing global demand for high-value food production, and the Australian Prime Minister recently identified as one of her goals taking advantage of the growing market in nearby regions for foods, at the same time, we have virtually no protection for our fertile soils and water supplies from mining. We are a geologically ancient, eroded and leached continent. Our groundwater systems, such as the Great Artesian Basin, are ancient: they are hundreds of thousands of years old. We still do not know about their recharge rates, and we have many bores from the earliest days left uncapped with the water flowing free. Therefore there are substantial drops in the pressure or the groundwater levels in a lot of those aquifers are already well advanced. We need national land protection guidelines that coincide with the publishing of Australia's first national food plan. We have to address issues of encroaching urbanisation, forestry and mining on what are some of our best-producing, most valuable food growing regions. The latest Murray-Darling Basin proposal was released just yesterday—and more of it today. That proposal identifies that there will be further restriction of the water available for irrigated agriculture. The Murray-Darling Basin Authority has assessed that across the basin their plan will lead to only one per cent reduction in productivity. But in areas of, for example, intensive dairying or other food production, it is understood that the impacts, in terms of reduced productivity, will be similar to what is now called the 'millennium drought'. We therefore have many threats to food security and food production in Australia. We are already a net importer of processed food in this country. We have very little understanding of the levels of investment of foreign businesses—or, indeed, national companies—when it comes to parts of our food value chains or indeed the land and its productive base. We do not know at this point, for example, how much of our current food producing enterprise is in the hands of foreign nationals and what the implications of this are for our own future innovation, research and development opportunities and, indeed, our food security itself.

When you add those dilemmas together—the lack of a national policy in relation to protecting our agribusiness and our
agricultural lands, the fact that we do not have an abundance of fertile soils, the fact that water is one of our most scarce resources limiting agricultural development—and the coal seam gas rush, where those explorations which coincide with some of our best agricultural land, then you realise that we are a nation that needs to do some heavy-duty new thinking.

The committee that is being proposed is, as I said at the beginning, an important additional safeguard; but in itself it will not be sufficient. We need regulation and legislation to protect our agricultural resources, including our water resources, our soils and our biodiversity. This amendment from the coalition will add to the value of this expert scientific committee if it is adopted in due course.

Mr JOHN COBB (Calare) (19:58): The Environment Protection and Biodiversity Conservation Amendment (Independent Expert Scientific Committee on Coal Seam Gas and Large Coal Mining Development) Bill 2012 establishes the Independent Expert Scientific Committee on Coal Seam Gas and Large Coal Mining Development, and its role will be to provide scientific evidence to governments on relevant coal seam gas and large coal mining projects and to commission and fund water resource assessments for priority regions.

The committee can advise on research priorities, bioregional assessments in areas of high potential impact from coal seam gas and/or large coal mining developments and provide advice to the Commonwealth environment minister on priority assessment areas. It will also be able to advise on research and bioregional assessments commissioned by the Commonwealth environment minister as a result of the committee's own advice. It will publish options for improving the consistency of research in this area and information on developing leading standards in the protection of water resources.

Debate interrupted.

PRIVATE MEMBERS' BUSINESS

Human Rights: Vietnam

Mr HAYES (Fowler) (20:00): I move:

That this House:

(1) notes that:

(a) there are increasing reports of gross human rights violations in the Socialist Republic of Vietnam (SRV) including evidence of continued house detention and imprisonment of notable human rights activists including, the Nobel Peace Prize nominee the Most Venerable Thich Quang Do, Patriarch of the Unified Buddhist Church of Vietnam, Reverend Nguyen Van Ly from the Vietnamese Catholic Church, Dr Nguyen Dan Que, Jurist Dr Cu Huy Ha Vu and the latest jailing without trial of Vo Minh Tri known as Viet Khang, a popular young peace songwriter; and

(b) since 2002, Australia and the SRV have had eight rounds of dialogue on human rights with no apparent results; and

(2) calls on the Australian Government to:

(a) establish and supervise a Vietnam Human Rights Dialogue group that would involve Members of Parliament and Senators, as well as the wider community;

(b) consider the issues of human rights in the SRV when allocating funding under Australia's overseas development aid program; and

(c) encourage a more ‘whole of government’ approach on bilateral and multilateral bases with the SRV, particularly where the issue of human rights is concerned.

As the member for Fowler I have often raised issues and concerns about the human rights situation in Vietnam. My stance on the human rights issues has been clear: I believe in a world where people's fundamental human rights are respected, and I have always shown great admiration for those
who are brave enough to stand up for human rights.

Over the past eighteen months, since becoming the member for Fowler, I have often been approached by the Vietnamese community and asked to voice to this parliament their concerns about human rights. The major concern affecting almost one-quarter of my electorate is human rights in Vietnam. I have seen it as an honour and a privilege to represent them in this federal parliament on such an important issue.

Today I am joined by representatives of the Vietnamese Community in Australia management committee, by the Vietnamese media, by a number of Vietnamese organisations and by a number of other people who have also taken the decision to come to Canberra and attend this debate. I thank them for doing so.

I move this motion because I am concerned at the increasing reports of gross human rights violations in Vietnam. Although the Vietnamese government signed the International Covenant on Civil and Political Rights in 1982, there appears to have been little progress in the human rights situation in Vietnam. From many reports that I have received, the human rights situation has actually worsened.

Last Thursday, 24 May, Human Rights Watch said that four Catholic activists who were caught distributing pro-democracy leaflets were tried in the People's Court of Nghe An under article 88 of the Vietnamese Constitution, which deals with terrorism and propagations against the state.

In 2011, Vietnamese courts used this same provision to convict at least 10 bloggers and activists, including the legal advocate, Dr Cu Huy Ha Vu—whose son, Cu Huy Xuan Hiev, is in the gallery tonight—for expressing their views. Also convicted were bloggers Vi Duc Hoi, Lu Van Bay, Ho Thi Bich Khuong and Nguyen Ba Dang.

In March 2012, the People's Court of Nghe An convicted two other Catholic activists, Vo Thi Thu Thuy and Nguyen Van Thanh, under article 88. At least another 12 Catholic bloggers and activists, including the prominent bloggers Ta Phong Tan and Le Van Son, are at the moment in detention pending investigation and trial.

In April, Dr Nguyen Quoc Quan—a resident of California, no less—was also detained upon arriving at Tan Son Nhat International Airport in Saigon and charged under article 84 with 'terrorism'. Dr Nguyen is a long-time democracy activist and a member of Viet Tan.

Rightly we call Vietnam our South-East Asian neighbour and a most valued trading partner, but I for one am appalled at the number of people currently incarcerated in Vietnam for exercising their fundamental human rights. I refer to people whose only crime is to support political groups not recognised by the state or to criticise government policy or to call for democracy itself—hardly a crime, according to our way of life.

It is very concerning that since 2002 Australia has held nine rounds of dialogue with Vietnam on human rights with no apparent result. As a trading partner and a significant aid donor, Australia has both a moral and a legal right to require Vietnam to abide by its international legal obligations. We do not need to chronicle the human rights abuses; what we need is to see genuine progress. We need to see positive outcomes through our relationship with Vietnam. At the very minimum, Australia, along with the international community, should require that the undertakings so freely given by the Vietnamese government in signing the International Covenant on Civil and Political
Rights and the Universal Declaration of Human Rights, simply be honoured.

In moving this motion, I call on the Australian government to review the current Human Rights Dialogue with Vietnam with a view to involving members of parliament and senators—not to carve out a specific role for parliamentarians but to ensure that there are positive outcomes that can be reported back to this parliament.

I am in the fortunate position of having being made aware of human rights abuses by the management committee of Vietnamese Community in Australia, by Colonel Vo Dai Ton, by Father Paul Van Chi and Father Francis, by Vietnam Sydney Radio, as well as by Viet Tan. These abuses are not made up; they concern real people—and very much so. As I indicated before, the son of one of the detainees is here tonight. These people and organisations have shown much passion for and commitment to improving the human rights situation in Vietnam. I would welcome their constructive input in future Australian-Vietnamese human rights dialogues.

I firmly believe that the government should consider the issue of human rights in the Socialist Republic of Vietnam when allocating funds under Australia's overseas development aid program. I believe that the government should encourage a whole-of-government approach on a bilateral and multilateral basis when dealing with Vietnam, particularly when there are concerns about human rights. I have always had a great respect and admiration for those who fight for and defend human rights. As the member for Fowler, I have been fortunate to have formed close friendships with some of these heroic men and women. Tonight I would like to mention two of them who have had a particular impact on me: Colonel Vo Dai Ton and Dr Tien Nguyen. Both of them were in the South Vietnamese Army, both of them endured the effects of their terms in re-education camps and both of them are making significant contributions now, in a positive way, to this country. They have contributed immensely in the field of human rights itself and also to the wider Australian community.

I would also like to acknowledge the contributions of Father Ly, who has spent a total of 15 years in prison since 1977 for his campaign for religious freedom, democracy and human rights. According to Human Rights Watch, Father Ly was sent back to prison at the end of July 2011 and sentenced to a further five years prison followed by five years of probation. There are great concerns for Father Ly's health, as he suffered three strokes whilst in solitary confinement in prison in 2009 and also has a brain tumour. I have had the opportunity to speak to Father Ly in the past through the assistance of Vietnam Sydney Radio and I greatly admire his dedication to human rights. He is a genuine Vietnamese patriot.

In March this year I paid tribute to the families of human rights defenders—the husbands, the wives, the mothers, the fathers and the children of these brave men and women who remain incredibly affected not only because of the denial of their human rights but also because they have been let down by a legal system which fails to honour fairness and equity for those who speak out. Whilst it is important to acknowledge human rights defenders, it is equally important to acknowledge their families and the hardships they endure in supporting their loved ones.

The Vietnamese people are some of the most courageous, capable and generous people I have ever met. Three decades ago they showed immense courage in leaving their home in search of a better life for their families. Those who have settled in Australia
have shown great capacity in what they have been able to achieve. Vietnamese people have also shown great generosity, contributing widely to the Australian community—not just sharing with us their food and cultural festivities but also being proactive when it comes to helping fellow Australians in need. For example, the fundraising efforts that followed the devastation of the Queensland floods demonstrated the extent of the generosity of the Vietnamese community.

A good friend of mine, Dr Vinh Binh Lieu, told me of an old Vietnamese saying which loosely translates as ‘when you eat the fruit of the tree, have regard to those who planted the seed’. He told me that, over the past 37 years, Australia has provided protection and support to so many Vietnamese families when they were vulnerable and in need. Now, seeing fellow Australians in difficulty, they see it as their responsibility as a community to give back. Together the Vietnamese community of south-west Sydney raised more than $450,000 for the Queensland Flood Appeal. Clearly the generosity and compassion of the Vietnamese community is extraordinary. Their commitment to this country is extraordinary.

I believe the big challenge for the Vietnamese government is to look at its people as the most valuable asset and resource it has. To date, it would appear that the Vietnamese government has had neither the faith nor the courage to do so. This brings me back to my motion. By overseeing a Vietnamese human rights dialogue involving members of parliament, senators and the wider community we can more regularly and appropriately discuss human rights issues in Vietnam. I believe that there should be more opportunities for community groups such as the VCA to raise human rights concerns directly with the Australian government. Further, by addressing human rights issues when allocating funding under Australia’s overseas development aid program, we are emphasising the importance of human rights to the Australian government, which is also why we should be pressuring the Vietnamese regime to honour international commitments they have freely entered into.

As a democratic country we have the freedom to express our views, criticise our governments and practise our religions. Despite whatever differences we may have in this place, the recognition of an individual's rights is what unites us. Australia has taken a leading role within our region in pursuing human rights and we should be proud of that. We have taken a leading role in developing trade in neighbouring countries such as Vietnam. Again, that is something we should be proud of.

In doing so, we need to go further. More than simply mouthing the words, we should be requiring those countries that sign the International Convention on Civil and Political Rights to not only honour the convention for trade purposes but honour each and every one of its articles, particularly those that apply to people and their freedoms. I speak not to be destructive—I recognise that the war devastated Vietnam enough—but out of compassion. As I have regularly said, Vietnam has great potential to achieve much in the modern world. However, to achieve this and to achieve proper international recognition, the first step is to show a genuine respect for the fundamental human rights of its own people.

I thank the Vietnamese Community in Australia and their community leaders. I thank Federal President Phong Nguyen, New South Wales President Thanh Nguyen, ACT...
President Cong Le and the rest of their committee. I also thank Father Francis, Father Paul Van Chi, Viet Tan, Vietnam Sydney Radio, Colonel Vo Dai Ton and the many constituents who have raised these issues directly with me and requested their attention in the parliament. The love that Vietnamese Australians have for their traditional homeland, and their desire for a brighter future for Vietnam, is truly inspiring. I look forward to a future for Vietnam in which the fundamental human rights of its people are both honoured and respected. I commend the motion to the House.

The DEPUTY SPEAKER: Is the motion seconded?

Mr RUDDOCK (Berowra) (20:15): I second the motion. I thank the member for Fowler for moving this very important resolution. He may not thank me entirely because I will take up aspects of what he has had to say about the way in which the government has been dealing with this issue in the dialogue that does occur on human rights issues between Australia and Vietnam. As I am the deputy chair of the Human Rights Subcommittee of the Joint Standing Committee on Foreign Affairs and Defence, I continue to have an interest in these matters and I put that very directly.

My interest is not new. It goes back almost to the first of the Vietnamese who came to Australia through our refugee resettlement program, people whom I supported as they came and needed help and assistance. When Ian McPhee was Minister for Immigration, he asked me to go and work with Dick Klugman who was then the member for Prospect in relation to some of those settlement issues. Over a period of time I continued to have an interest in the way in which Vietnam was evolving. There was a unique committee of which I was patron for a number of years, the Australian committee for a free Vietnam. I remember many of those with whom I was engaged. A young lady who served on the refugee resettlement advisory committee for me was Kathryn Nguyen, who eventually went to the United States. Therese, or Kim Noc Dong, who I have known over many years, was actively involved. There were a number of Canadian members of parliament as well as Professor Steven Young, who provided a leadership role in the United States. I remained associated with the Australian committee for a free Vietnam until I became a minister and it was appropriate that some of my colleagues took on that continuing role.

I was interested that mention was made of Colonel Vo Dai Ton. He is a very significant personage because he decided, after having spoken on the need for freedom in Vietnam over a number of years, that he should go back and encourage people to strive for freedom. He was identified after entering Vietnam through Laos, if I remember correctly. In the late 1980s or early 1990s, Greg Sheridan, a writer for the Australian newspaper, asked me when I was visiting Vietnam whether I would take up the case of Colonel Vo Dai Ton, who had been imprisoned in what was colloquially known as the Hanoi Hilton. I see a lot of nodding in the gallery. Numbers of representations were made. I would like to take the credit, but I am not sure that I am deserving of the credit, although I was given some for the fact that I made representations at that time, but the Australian government—I think through Gareth Evans—was equally and actively involved on Colonel Vo Dai Ton's part.

My comments today are in the context of what is happening in Vietnam now. I have continued to maintain a strong interest in the community, notwithstanding the fact there are some but not all that many Vietnamese...
living in my electorate of Berowra. They would be very welcome in the electorate of Berowra, let me say, but it is not the case.

The passing of the Most Venerable Thich Phuoc Hue, who had been the leader of the Vietnamese Buddhist church in Australia, was tragic. He had had the refugee experience and was very much aware of it. Only two weeks ago, along with the member for Werriwa as the chairman of the Human Rights Subcommittee, of which I am a member and deputy chair, I had the opportunity to meet with a protestor outside of this House. That was Mr Truong Quoc Viet from the Block 4806 movement who was raising issues about land rights in Vietnam of behalf of his family, friends and community—not land rights in the sense that we understand it but the expropriation of their property without just compensation.

Human rights in Vietnam remain an issue of concern. Numbers of us in this House have been associated with Amnesty International. Their report for this year regales the harsh repression of dissidents, which they say continues with severe restrictions on freedom of expression, association and peaceful assembly. It goes on to say:

Critics of government policies were targeted, including social and political activists. At least nine dissident trials took place with 20 defendants. Vaguely worded provisions of the 1990 Penal Code were used to, in effect, criminalise peaceful political and social dissent—something that we take very much for granted here in Australia. It goes on—

The government continue to censor the internet ...

Dozens of prisoners of conscience remained in prison. Religious and ethnic groups perceived to be opposing the government continue to face human rights violations. …

Severe restrictions on freedom of expression continue. The vaguely worded provisions of the 1999 penal code were used to criminalise dissent. Article 78 speaks of 'aiming to overthrow the state', whatever that means. Article 88 speaks of 'conducting propaganda against the state', whatever that means. Nine dissident trials of 20 defendants that are taking place remain of very considerable concern. There have been more than 18 individuals who have been arrested and many remain in pre-trial detention. Land ownership disputes continue between local authorities. Ethnic and religious minorities have to register before being able to own property and access education, health care and other services. Local security forces hold power to approve registration and thus hold great threat over individuals. The Montagnards in the Central Highlands and the Hmong in the Northern Highlands are victims of ongoing discrimination, beatings, harassment and torture. Mobile trials have been conducted, with more than 350 Montagnards sentenced to long prison terms since 2001 for crimes like demonstrating and advocating for the United Buddhist Community. The Venerable Thich Quang Do remains under house arrest. He has been in prison for the last 30 years on a variety of charges. He has been released and re-arrested. He has been an advocate for religious freedom, democracy and human rights, and he was named in 2008 as the patriarch of the Unified Buddhist Church of Vietnam. That continues to be banned by the
government; it has been outlawed since 1981. The government has declared that it does not exist and that it is illegal, and monks, nuns and followers continue to experience harassment and surveillance.

It is not just his experience; he is a person of very considerable note and has been nominated for the Nobel Peace Prize. A quote says:

One single party cannot possibly represent more than 80 million Vietnamese people. We must have a multiparty system that gives the people wide representation. To solve all these problems and injustices, we must work together for pluralism, democracy and human rights. Freedom of expression is especially important, for without this freedom, how can people voice their grievances and express their opinions to their rulers?

Mention is made of Reverend Nguyen Van Ly, re-arrested on 25 July while on sick leave from prison because of a stroke and a brain tumour. He is aged 64 and serving an eight-year sentence, having been arrested in 2007. The sentence was for conducting propaganda against the state. He has spent 17 years in prison due to his advocacy for human rights and freedom of expression. Equally, when you look at Dr Nguyen Dan Que, Dr Cu Hy Ha Vu and Mr Viet Khang, you see why we need to remain interested in these issues.

The member for Fowler, who spoke on this matter initially, raised the issue of Australia's aid program. It is a very significant program of $150 million planned for 2012-13. The only reference to support for human rights in our aid program is under the heading 'Vietnam human rights technical cooperation phase 4', and that does help to develop practical strategies to promote human rights in Vietnam. But when you look at the wide range of other activities in which we are engaged, I think it is important to reflect on how much influence we might have if we were prepared to engage vigorously in relation to these matters. Regrettably, while the dialogues occur and were designed to avoid a deterioration in bilateral relations, they were also designed to give us an opportunity to express our views on these issues with some determination. I would have to say that if members of parliament were actively included in these discussions I suspect the outcome would be very different. Instead of, after the event, asking the Department of Foreign Affairs and Trade to come before the Human Rights Commission and try to explain what issues they have raised and what sort of responses they may have had and to get some semblance of whether or not we have been able to influence anything, we would have members of parliament, possibly from the Human Rights Subcommittee of the Joint Standing Committee of Foreign Affairs, Defence and Trade, involved in those discussions.

The committee has, on a number of occasions, suggested to the government that that level of engagement should occur, and the government says that it is welcome. It even wrote to me as the deputy chair and asked whether I would like to go, provided I found money for my fares and could get myself there. I said that I did not think that was really appropriate and that we ought to be included. I wrote off to the foreign minister again and I got a response, saying, 'Maybe you should get the parliament to take money away from other parliamentary programs to give this one priority.' I imagine these delegations do not go without the government committing itself to the expenditure of sending the officers from the Department of Foreign Affairs Trade and others whom they have invited to participate. I do not imagine that they say to the department of foreign affairs' officials, 'Would you like to go to Vietnam as part of
the delegation, and would you like to pay your own fares?” Thank you very much! I thank the member for Fowler for raising these matters because I think his colleagues are not serious or they have been conned by the Department of Foreign Affairs and Trade, who think that this is not a priority for them and that maybe they can get somebody else to pick up the funding for them.

It may be benign and I may be misinterpreting it, but let me just make the point that the member for Fowler raises these issues very seriously. I commend him for doing so, and I think that this motion is very significant because it bells the cat about the government's willingness to have members of this parliament who are interested discuss and push human rights concerns and so make a difference. I thank the member for Fowler for giving me the opportunity to make these remarks. I hope I have not damaged him in the eyes of his colleagues. I hope those who are listening here will support him very fully and that next time we go back to Vietnam, rather than when they come here—and we can get there relatively easily—and we can get there relatively easily—members of parliament will be included in the delegation and able to make the case that you want to hear made strongly on behalf of the people of Australia.

Mr LAURIE FERGUSON (Werriwa) (20:30): I commend the VCA for raising this matter. I commend the member for Fowler for bringing it before the House. What happens in this parliament and within this government with regard to Vietnam is extremely crucial because there is an attitude among many of our Asian neighbours that one does not interfere in the internal affairs of other member nations of ASEAN: that human rights is not essentially the province of the ASEAN group of countries as a whole. So what this country does is important, and it is right and proper that we do come to these matters today. Amnesty International, in discussing its three prisoners of conscience, said of Vietnam:

Harsh repression of dissidents continued, with severe restrictions on freedom of expression, association and peaceful assembly.

Human Rights Watch equally talked of the Vietnamese government's human rights record remaining 'very weak' and said:

The government suppresses virtually all forms of political dissent—Areas of concern include forcing prisoners to work while they are in jail, drug addiction, a judiciary that is not independent and the very wide ranging provisions and articles in the criminal code which mean that essentially any dissidence, criticisms or divergence from the government is basically a criminal act. They construe anyone advocating democracy in the country as propagandistic, against the national interest and treacherous.

I associate myself with the remarks of the member who spoke previously and who is, as he noted, the deputy chair of the Human Rights Subcommittee of the Joint Standing Committee on Foreign Affairs, Defence and Trade. When he speaks of government, I speak of governments, because the issues he spoke of should have been dealt with by a variety of Labor and Liberal governments—it has not emerged just this week. But I agree with him that if we are going to be serious about the human rights dialogues then the attendance of members of the human rights subcommittee should be financed, even though it does appear that public servants who are very persuasive with various ministers feel that it would be the end of Western civilisation if any MPs were in Vietnam for oversight.

During the inquiry that the subcommittee has conducted, it has been clear—without pre-judging the final outcomes—from members of the Vietnamese community that they have significant issues with the way in
which dialogues with Vietnam operate. They have called for wider involvement of non-government organisations and civil society groups from this country. They have spoken of there being little transparency in Australia's human rights dialogues, primarily due to poor reporting. They have questioned the consultation with groups before and after meetings. They have spoken of a lack of monitoring and evaluation of outcomes from human rights dialogues. It is quite clear that the reporting back is insufficient. It is quite clear that not enough groups are engaged in discussions about the way that dialogues operate.

The Australian overseas development program of $150 million is significant to Vietnam and is one of our larger international efforts. There should be some changes made by DFAT to the way it operates. There is a balance—we cannot dictate to countries exactly how they will operate in regard to foreign aid—but we are supplying the money and, as the Minister for Foreign Affairs said recently about Papua New Guinea, the questions of human rights, democracy and judicial practices should be relevant. The dialogue with Vietnam that we have spoken about since 2002—there have been nine rounds of it—could be perceived by many critics as not having gained very much.

I turn now to talk about a few of the prisoners of conscience. Cu Huy Ha Vu has been signalled as a particularly relevant person because he comes from a family that has been associated with the regime. Some of his forebears were regarded as revolutionary heroes. He has been jailed for interviews with foreign media, as though that is something that people should be jailed for. His main efforts have been on the subject of bauxite mining and the confiscation of lands that were owned by people who fought the French. Nguyen Dan Que has been incarcerated, once again under the wide provisions of Vietnamese law, because he allegedly advocated the overthrow of the government. As many people have detailed, Father Nguyen Van Ly was jailed for 17 years for activities construed as spreading propaganda.

I associate myself very much with the previous speakers. I have been active, as have some of the other members, around Amnesty International's endeavours on this front and in the broader efforts by the VCA to put create some interest in this country in human rights in Vietnam. I commend the motion.

Mr CRAIG KELLY (Hughes) (20:35): I rise to support the motion moved by the member for Fowler and to support the comments made by the members for Berowra and Werriwa. As this motion notes, there have been increasing reports of human rights violations in the Socialist Republic of Vietnam, including evidence of continued house detention and the imprisonment of notable human rights activists including the Nobel Peace Prize nominee the Most Venerable Thich Quang Do, the Reverend Nguyen Van Ly of the Vietnamese Catholic Church, Dr Nguyen Dan Que, the legal scholar Dr Cu Huy Ha Vu and, most recently, the jailing without trial of Vo Minh Tri—known as Viet Khang—a popular young peace activist. Wherever human rights abuses are taking place it is our obligation to raise our voices in protest. These ongoing reports of human rights violations are of particular concern to the nearly 200,000 Australians of Vietnamese ancestry. I would take this opportunity to note the outstanding success of many in our Vietnamese community, who I know are represented in the gallery here tonight. This success has arisen through their entrepreneurial spirit backed by a willingness for hard work and sacrifice with a strong emphasis on family
and a belief in democracy. I congratulate them.

This motion calls on the Australian government to consider the issues of human rights in the Socialist Republic of Vietnam when allocating funding under Australia's overseas development aid program. It is all very nice for members of this government to come into this chamber with this motion and call on the very same government to consider issues of human rights violations when allocating funding under the overseas aid development program; however this motion shows that the government is trying to walk both sides of the street.

This motion misleads Australia's Vietnamese community, which has actively sought to highlight human rights abuses of the Communist regime currently ruling the Socialist Republic of Vietnam. While the motion calls on Australia to consider the issues of human rights violations when allocating funding, it is worth noting that the current government has given out the single largest aid donation in South-East Asia to the Vietnamese government—$160 million to build a bridge over the Mekong River. At the same time, this Labor government cannot find money to fund vital infrastructure projects in Western Sydney and elsewhere throughout the nation. When this motion notes that since 2002 Australia and the Socialist Republic of Vietnam have had eight rounds of dialogue on human rights with no apparent results, why are we freely handing over $160 million to build a bridge? What message does that send?

Mr Deputy Speaker, I draw to your attention to an article published by the Communist Party of Vietnam's online newspaper. Here is the print-out—complete with the hammer and sickle and a picture of Uncle Ho—praising the Labor government for handing over $160 million of Australian taxpayers' money to build a bridge over the Mekong River in Dong Thap province. That is advertising which money cannot buy. According to the 'About Us' page on the website, the Communist Party of Vietnam's official newspaper:

- Effectuates far-reaching dissemination of Marxism-Leninism and Ho Chi Minh Thought,
- Stores classic works of Karl Marx … and Vladimir Lenin,
- And—

Resolutely, actively and convincingly struggles against arguments and activities of hostile forces aiming to sabotage national revolution.

Simply, the very same publication which praises the Australian donation excuses the human rights violations currently ongoing in Vietnam. I suggest that this is very poor use of our foreign aid. We are getting very little return for our $160 million investment.

Further, handing over this aid money to the Socialist Republic of Vietnam in this way for the heavy infrastructure frees up that government to spend on other things. It is noteworthy that in February 2010 Vietnam revealed plans to buy six new Russian-built submarines and 12 Sukhoi SU-30 fighter-bombers at a cost of US$4.2 billion. In August 2010, Vietnam took delivery of the first of four new heavily armed Russian built Stealth Frigates costing $700 million, and it is now midway through acquiring 12 new 500-tonne Russian designed fast missile boats. This comes at a time when our Labor government has reduced our defence spending to the lowest level since 1938.

I support this motion, but the Vietnamese community know that our current government is walking both sides of the street, praising the Vietnamese government and handing out these generous donations while at the same time raising human rights violations back home. (Time expired)
Mr Griffin (Bruce) (20:40): I rise in support of this motion which raises some very important issues about the question of our ongoing relationship with the Socialist Republic of Vietnam and important human rights issues which have been spoken about by a number of members already. It is clear that there is an ongoing journey towards democracy in the Socialist Republic of Vietnam and that it still has an awfully long way to go. It is also clear that many good Vietnamese citizens have suffered at the hands of the authorities for engaging in activities which in a democracy such as ours would be seen as being the normal rights of a citizen. It is clear from some of the examples given by the member for Werriwa, for example, that the circumstances of some of these individuals are quite horrific and in need of further investigation and certainly of international protest.

When we go, though, to the detail of the motion, I do have to pick up on one point for a start. I was a bit disappointed by some of the more partisan political points made by the member for Hughes during the debate. The human rights dialogues we are talking about—and we are now up to round 9—did not all occur in the last four years, and I note that my friend the member for Berowra has nodded accordingly. The fact is that human rights in Vietnam have been an ongoing issue. There have been difficulties with progressing it; there are concerns, and those concerns need to be looked at. But I think we ought to say that there is a process and that it was there under previous governments as well as under this government, and, if there are problems with those processes, they are problems we all have responsibility for. The question really is: where do we go in future?

I note the motion's points about the need for a wider dialogue, and I was particularly interested in some of the comments about the Human Rights Subcommittee of the Joint Standing Committee on Foreign Affairs, Defence and Trade and what they have heard so far in their inquiry about what changes might be able to be made to ensure that a more open and viable dialogue can be brought forward. I know, from the point of view of having been a minister in a government, that how the circumstances around how you progress human rights issues in an international situation are often quite difficult. In dealing with the authorities in Vietnam on one occasion as a minister I was very pleased with the support that was given the Australian authorities on returning the remains of Vietnam veterans who had been killed during the Vietnam War.

I know that some of the issues that have been raised are incredibly serious. When we look to the question of how we develop a dialogue into the future, when we look to some of the concerns about ensuring that the dialogue is real and takes into account the concerns of expatriate communities who still have loved ones in the home country and when we look at trying to ensure that Vietnam develops into a country that we can all be proud of to call our friend in the international community, there is much more that needs to be done. I certainly support some of the options that have been mentioned around beefing up the human rights dialogue in order to ensure that there is more public support and political involvement. But I also say that engaging in a human rights dialogue is a difficult process, because you raise issues publically while trying also to get movement in a privately, and you really have to look at that over time. As we look to the future, I think there is much more that needs to be done.

On the aid program: I do not think it helps to get political about those sorts of questions. If we wanted to get political, we might talk about what level of aid projects and support there has been over the years and the
question of what the budget once was versus what it is now. If we want to go to the question about particular projects and the best way to progress human rights dialogue with a country while supporting aid projects, we also have to understand it is a very multifaceted approach that needs to be taken to ensure that you achieve outcomes. Sometimes aid projects of the nature we have been talking about which are supported by the home country are sometimes the best way to go forward. What we do need to do is to make sure we put pressure on the Vietnamese authorities around the need to continue to progress down a track to a more open, vibrant and eventually democratic society. We need to understand that those who put their lives on the line in support of democratic rights, in support of human rights, need to be supported not only at home but also abroad. I commend those who have brought this motion forward and I commend those who continue to fight for freedom in that country.

**Mr SIMPKINS** (Cowan) (20:45): This is the 14th time that I have spoken with regard to Vietnam and human rights in that country. I do that because I have a large Vietnamese community in the electorate of Cowan and I have been to the country twice. During my visits I have had the honour of meeting with pro-democracy activists and particularly the family members of detained activists. I have been inspired by the dedication that these people have to the cause of freedom and the courage that they display in pursuing that cause.

When I look at the names of activists on this motion I am very pleased to say that I have had the honour of meeting Thich Quang Do and of speaking to Father Ly on the telephone as well, but not the others, I am afraid to say. When I was in Saigon at the start of last year, to get to see Thich Quang Do it was quite onerous to be followed by security forces, but fortunately they allowed me to see him. Unfortunately, when I tried to see Father Ly in Hue I was prevented from doing so by the local officials.

Beyond those two great men who have done some great things for democracy and freedom in Vietnam, I would also mention Nguyen Dan Que, who was arrested not long after my last visit to Vietnam. I notice that he wrote at around the same time about the arrest of a US diplomat who tried to see Father Ly in Hue two days before I tried. Dr Nguyen Dan Que also called for mass demonstrations. At that time last year we were in the period of what has been called the ‘Arab Spring’ and it did give some hope to pro-democracy activists in Vietnam, but, unfortunately, not a whole lot of progress has been made there. Dr Nguyen Dan Que has unfortunately spent many years in jail as a result of his commitment to a truly democratic Vietnam and he remains in jail to this day.

Cu Huy Ha Vu is a very high profile activist that has fearlessly taunted the Communist Party leadership of Vietnam by attempting to charge the Prime Minister with an offence relating to the concessions to China for bauxite mines in the highlands. In September 2010 he effectively protested against the Prime Minister for his Determination No. 136, which strictly prohibited citizens from filing petitions and complaints against the Communist government. However, above all, he is known for his demands to repeal article 4 of the constitution of Vietnam, which places the Communist Party as the only body to lead the state and society. He was sentenced to seven years jail on 4 April 2011 for spreading anti-state propaganda.

Another human rights activist mentioned in this motion, Viet Khang, is a young songwriter who wrote two songs that
objected to the crackdowns on protesters regarding Chinese incursions on the Paracel and Spratley Islands. For those of us who have a background or interest in Vietnamese human rights issues, it is a common theme for activists in the country to make a strong link between freedom of speech, freedom of religion and patriotism. It is my view that while the Communist Party sees itself at the centre of the state, these activists see the core of Vietnam as being the nation, comprised of the people, the culture and the territory. I believe that this is a fundamental issue and that such a difference generates a strong sense of cause across Vietnamese people in the homeland and around the world. I therefore suggest that opposition to the Communist Party rule is often manifested in terms of property and territory issues, resulting in religious based activism and patriotism.

Looking at the second part of this motion, I would say that Ambassador Alastair Cox and our embassy staff have been quite proud of their ability to raise human rights matters with the Vietnamese government, and I also understand that the human rights dialogue could involve the active participation of interested MPs and senators. I would welcome that with the appropriate backing from the government. With regard to development aid being linked to issues of human rights, I think that the government should pursue and investigate such options. However, if that involved stopping the support of the blind school that I visited in Saigon in 2009 then we should be very careful about that. I think that this government should focus on all our relations with Vietnam, upon the rights, freedoms and a wide participative democracy.

I also take this chance to remind the chamber that in 2009, the government feted the General Secretary of the Communist Party here in Canberra. He was treated in the same manner as a government leader or head of state, when he was neither. This should not happen again. I conclude for tonight by saying that Vietnam is being held back by a ruling elite that serves itself before the people. A truly democratic Vietnam would deliver a better Vietnam and a better life for Vietnamese people.

Ms Parke (Fremantle) (20:50): I would like to thank all the contributors to this debate, in particular the member for Fowler for this motion regarding human rights in Vietnam. I know this is a matter about which he has been very passionate for many years and, indeed, I had the pleasure of joining him outside Parliament House recently when we spoke to a group of people from the Vietnamese Community in Australia—some of whom are in the gallery tonight—as well as a courageous and determined young Vietnamese man, Truong Quoc Viet, who had travelled to Australia and camped alone in a small tent on the lawn outside parliament for a week to raise awareness of the human rights situation in his country. Truong was very keen for the Australian government to take note of the human rights situation when considering the delivery of foreign aid to Vietnam to ensure that it gets to the people it is intended to help—those living in poverty and facing threats to their liberty. He was also keen for Australian parliamentarians to become more involved in discussions regarding human rights taking place between Australia and Vietnam. Truong was encouraged to know that the Human Rights Subcommittee of the Joint Standing Committee on Foreign Affairs, Defence and Trade, of which I am a member and which is chaired by the member for Werriwa and of which the member for Berowra is deputy chair, is currently undertaking an inquiry into:
… the effectiveness of Australia's Human Rights Dialogues with China and Vietnam with particular reference to:

- parliamentary participation and oversight;
- involvement of non-government organisations;
- the roles and obligations of participating agencies;
- reporting requirements and mechanisms;
- the monitoring and evaluation of outcomes including an assessment of whether any human rights reforms within those countries have been obtained …

The subcommittee received submissions and heard evidence from a wide range of organisations, including, relevantly for this debate, the Vietnamese Community in Australia, the Committee to Protect Vietnamese Workers, the United Vietnamese Buddhist Congregation, Bloc 8406—Freedom and Democracy for Vietnam, the Prisoners of Conscience Fund, the Vietnam Committee on Human Rights & Que Me: Action for Democracy in Vietnam, and the Democratic Party of Vietnam.

There was also a submission sent from Hanoi from a Vietnamese attorney, Nguyen Van Dai, who had been imprisoned in Nam Ha prison for four years by the Vietnamese government, from March 2007 to March 2011. His submission, along with a number of others, suggested that Australia should attach its development aid to Vietnam's improvement in human rights and democracy, and that the degree of improvement in human rights should be assessed in a measurable way. He noted that examples of demonstrable improvements in human rights in Vietnam would include: the release of political prisoners and religious detainees; removal of house arrest of those already released; cessation of arrests and harassment by the government of Vietnam of those fighting for human rights and democracy; respect by the government of the rights of people to form and organise political parties and associations; the right of citizens to assemble; respect for the rights of free speech, free press, and allowing people to set up private newspapers; allowing the already-established parties to operate—for example, the Democratic Party and the Progressive Party—and respect for religious freedom.

It is reported by the Vietnamese Community in Australia, among others, that there are ongoing and severe violations of the rights of Montagnard Christian ethnic minorities from the northern and central highlands, Roman Catholics, people from the Unified Buddhist Church of Vietnam, the Hoa Hao, Khmer Buddhists, and Cao Dai, as well as the human rights lawyers who defend these groups.

Submissions to the inquiry recommended that Australian aid include assistance to non-government organisations to assist organisations and individuals who are fighting for human rights and democracy in Vietnam, and improving access for ordinary people to information about their universal rights, and also that Australian officials make a point of visiting prisoners of conscience in Vietnam more often.

A number of submissions to the inquiry, including from the Committee to Protect Vietnamese Workers, recommended a significantly enhanced role for the parliament and NGOs, pre and post dialogues, as well as during the dialogue process itself, especially vis-à-vis parliamentarians, as well as improved reporting, monitoring and evaluation of the human rights outcomes of the dialogues.

The Vietnam Committee on Human Rights noted that the Australia-Vietnam dialogue 'can only be effective if it is a two-way process'. It is concerned that:
... Vietnam is using the dialogue, and other international initiatives, as a shield to deflect world scrutiny from its troubling human rights record.

I acknowledge the member for Fowler once again and welcome this debate here tonight as well as the inquiry being undertaken by the Human Rights Subcommittee into the effectiveness of the human rights dialogues, and I thank everyone who has contributed to these processes. I hope that eventually we will see significantly improved human rights outcomes for the courageous and peace-loving Vietnamese people.

Mr EWEN JONES (Herbert) (20:55): I rise to speak to the motion regarding human rights abuses in Vietnam. In doing so, I would state from the outset that I do not believe that the motion has been raised with anything other than genuine concern as the member's primary motive. I do take the line, though, that Australians tend to take the high moral ground when dealing with other countries whereas we may not apply that to our own country. We, as a nation, can be very upfront in pointing out the shortcomings of other nations, but we can be very thin-skinned when the critique is pointed at us.

I will state at the outset that I have never been to Vietnam and have only spoken to a small number of people with Vietnamese heritage and contacts, and one of the things that this debate has shown me is that I do have a lot more work to do. But what we have here, as far as I am concerned, is a country which has only been around for some 40 years. Would we have appreciated other countries critiquing us in 1828 over the way we treated our convicts or, much less, how we treated the first inhabitants of this country? It is a long bow, I grant you, but I do believe that we should be careful. We, as a nation, criticise the Japanese for eating whale, but we will brook no such correspondence from countries who inform us that we are the only nation on the face of the earth which eats its own national symbols. We criticise India and tell them they should not have nuclear energy, but if they told us we were barbarians for eating beef we would look at them as if they had two heads.

I come from a multicultural city. Townsville is home to a huge number of races from all over the world. Our Cultural Fest started in 1994 with a couple of card tables and a Lions service club burger van. From this it has grown, under the stewardship of Dr Farvardin Daliri, a refugee himself, to a week-long festival of the most incredible food, colourful national costumes and fluid and passionate national dance, and the camaraderie of people pointing their children in the one direction. It is a truly joyous occasion.

I was part of the delegation from this House which met the politicians from the ASEAN delegation last week. We hosted politicians from Malaysia, Indonesia, Cambodia, Myanmar, Brunei, Singapore, the Philippines and Vietnam. They spoke highly of their work together to make a better Asia, to be more inclusive, to look after human rights, to raise the standards of debate and accountability, and to look after their people. I believe that they were honest in their approach.

If we look at things from a great distance, in isolation, we must be open to having the same game played by others. Vietnam is a great country and friend of Australia. We need to build bridges to open communication and commerce. I will also state my self-interest here: my brother, his wife and two children holidayed in Vietnam last year. They had a fantastic time, met a beautiful race of people and gloried in the culture of a peace-loving people.
As I said before, the Socialist Republic of Vietnam is a young nation but one with a history and culture dating back to the Bronze Age. There are over 90 million people living in Vietnam and, sure, there are some very, very bad people there. But I would be willing to wager that the vast majority of the people in Vietnam want what we want in Australia—an education for their children, a job, and for their government to support them. Institutions such as James Cook University, the Australian Institute of Marine Science, the CSIRO and the coalition-backed Australian Institute of Tropical Health and Medicine can assist them in this endeavour and should be supported.

Again, I would like to stress that I do not believe that the member has proposed this motion for anything other than honourable intentions. And, again, I would like to suggest that the next time an Australian athlete is caught with a banned substance we do not automatically call foul and that, the next time another nation questions us over our treatment of people on Palm Island or in the Northern Territory or in Redfern, we appreciate that perception is neither right nor wrong—it just is.

Debate adjourned.

PRIVATE MEMBERS' BUSINESS

Ministerial Conduct

Mr Oakeshott (Lyne) (20:59): I move:

That this House:

(1) endorses the draft code of conduct at Appendix 5 of the report of the House of Representatives Standing Committee of Privileges and Members’ Interests, Draft Code of Conduct for Members of Parliament; and

(2) requests the Leader of the House to bring forward urgently for the House’s consideration the proposed changes to standing orders and resolutions of the House necessary to give effect to the code, procedures for considering complaints under the code, and for the role of the Standing Committee of Privileges and Members’ Interests in oversight of the code.

This code of conduct was agreed upon in 2010 by all parties and was point 19 in the Agreement for a better Parliament. There it is identified that:

A cross-party working group and inquiry process will be established to draft a code of conduct for members of the House and the Senate. Once established, this code will be overseen by the Privileges Committee.

I hope we all agree, and we did agree at the time, that this code is not the whole answer to better standards; but it remains one component and therefore, as that one component, has value. It is a document of wide principles rather than a prescriptive document. It is true that it can be criticised as 'stating the bleeding obvious' but sometimes, like now, stating the bleeding obvious is necessary.

The code of conduct is a reference point and reminder for all MPs, prior to any acts or omissions, of what basic and broad principles are expected. It is also a reference point and provides guidance for all MPs when a fellow MP is behaving outside these stated broad principles and values. This is not to overstate the ability of this code of conduct to deliver in isolation: I also accept the criticism that this code of conduct lacks sanctions and that it is not prescriptive in what we do when someone is in breach of the code of conduct itself.

In my view this is not to be answered today and should not be answered by the equivalent of a code of conduct 'Crimes Act'. Rather, over time, this will be answered by precedent, the collective will of MPs as to how they want to use the code and, ultimately, by the Privileges Committee. The danger in any of this is not that there are not appropriate sanctions attached; it is any loss of the tripartisanship that has been expressed
to date and the attempt of any group of MPs to rip it down and ignore it. If that is allowed to occur, rest assured that the destroyer or destroyers will succeed and this code will effectively mean nothing. If, however, cross-parliament support for the code of conduct remains, and there is an investment by all in the status of the code, then its place will be one of value and the issue of sanctions will largely look after itself. It is appropriate that the privileges committees and parliaments of the future determine penalties and sanctions dependent on the context of the issues at that time. Neither I nor any member in this place can answer the questions of the future now; I can only encourage the opportunity to be grabbed right now and this code of conduct—a broad document of guidance and reference—implemented.

If a code of conduct is good enough for most sporting and volunteer organisations, most businesses, most parliaments and the ministerial wing then it is surely not too much to ask that one be implemented for Australia's politicians. It will not answer all issues or improve all behaviour but it may help. We never really know the true worth of documents like codes of conduct but who knows: late one night, when an MP is weighing up what to do on some matter, that MP may refer to the code to help shape their thoughts, and that is where the worth of this document lies. If it plays that role—nothing more and nothing less—than it has served a purpose. I therefore put the code of conduct to the House for support.

The DEPUTY SPEAKER (Mr Murphy): Is the motion seconded?

Ms PARKE (Fremantle) (21:03): I second the motion. I thank the member for Lyne for his motion. It seems that once again, when it comes to ethics and standards of conduct in Australian public life, we live in interesting times. We are once again debating both the ethical standards which should be observed by members of parliament and the mechanisms by which such standards might be expressed and, where necessary, enforced. Once again, debate over the possible role and scope of a code of conduct for members of this House remains a primary focus of attention and opinion. Indeed, the discussion paper published by the House of Representatives Standing Committee on Privileges and Members' Interests has identified the potential which a properly developed code holds for reinforcing public trust in the institution of parliament by addressing community concerns about standards in public life. The committee noted in particular that a code would serve as a reminder to members of the political trust that they owe to their constituents.

Over the last five years we have seen the emergence of new or stronger codes for participants in international cricket, AFL, rugby and many other sporting codes, as well as for the members and fans of related sporting clubs. Schools, universities, churches, service providers, the professions and large numbers of private sector and non-profit organisations all now promulgate codes where once there was nothing to guide conduct except community standards and the law. Ministers in this government have been subject to new and enforceable ethics standards since 2007. In short, effective codes of conduct, and ethics standards bodies to enforce them, are now so commonplace that it might seem that we have been living through a code of conduct-led recovery; yet we have the Leader of the Opposition suggesting that a code of conduct for members is unnecessary because no member of parliament should need to be told that fraud, theft and sexual harassment are wrong. This quite misses the point about the value of codes generally and the value of a
code of conduct for members of parliament in particular.

What is at issue here is not a member's personal moral creed or their compliance with criminal law, but the ethical obligations owed by a member to a community as a consequence of being entrusted with public office. The relevant test of conduct in the context of the parliament is not whether the member is a fit and proper person to hold elected public office—that is a question for the member's electorate—but whether their conduct enhances or undermines the democratic values and integrity of the institution of parliament. This latter question is properly one for the parliament itself.

Other commentators have suggested that codes are ineffective in preventing bad behaviour. No code can provide guidance for every possible situation or dilemma which might arise. Codes are not self-implementing or self-enforcing; if a code does not work in practice it is almost always because it has been badly devised, written, explained or implemented—and sometimes all four. Codes work, or do not work, at several levels. Ideally, a code provides public assurance that some form of standard exists. A code provides information to the ethically ignorant and a guide to sound decision making for the ethically perplexed. A code establishes a clear basis for assessing the extent of an individual's compliance with the code's requirements. A code provides a legal basis for enforcement. A code provides a clear set of criteria for defending charges or allegations brought under the code and a sound foundation for decision making in relation to what the public interest and public trust require in a particular case. So it is timely that this House is able to consider the discussion paper, published by the House of Representatives Standing Committee of Privileges and Members' Interests in November last year. While I welcome the paper's positive discussion on a broad values based code, the draft code would, in my view, benefit from further close attention to a number of significant matters.

For instance, is the code an aspirational or a prescriptive and enforceable document, containing as it does elements of both? The draft code also contains numerous terms that are undefined and potentially open to dispute as to their meaning and application.

For example, clause 1 of the key principles states that members 'must be loyal to Australia and its people'. For a member of the Australian Defence Force such an aspirational statement can provide meaningful guidance, based on the particular context on which it is intended to be applied, especially in time of war. But the same notion of loyalty provides no similar guidance to an elected official for whom what is in Australia's best interests is precisely what may be disputed.

There is also some contradiction and inconsistency in the paper's attempt to make a distinction between purely personal conduct and conduct in an MP's official capacity. The paper asserts that any code should not be concerned purely with an MP's private conduct and yet the draft code states at key principle 6 'Personal Conduct': Members must ensure that their personal conduct is consistent with the dignity of the Parliament. They should act at all times in a manner which will tend to maintain and strengthen the public's trust and confidence in the integrity of the Parliament and its Members.

Overall, as I have indicated, the draft code of conduct is a positive development, which I support, but one that needs more work to make it effective.

Debate interrupted.

Human Rights: Bahrain

Mr LAURIE FERGUSON (Werriwa) (21:08): I move:
That this House:

(1) notes that:

(a) on 15 February 2012, Secretary-General of the United Nations, Ban Ki-Moon, called for a genuine, all-inclusive and meaningful dialogue that meets the legitimate aspirations of all Bahrainis as the only way to promote peace and stability in the country, and noted the harsh sentences given to 21 political activists, human rights defenders and opposition leaders;

(b) on 23 November 2011, His Majesty Hamad bin Isa Al Khalifa announced his acceptance of a report from the Bahrain Independent Commission of Inquiry headed by Professor M. Cherif Bassiouni where, systematic violation of basic human rights were established;

(c) major international human rights organisations such as Amnesty International, Human Rights Watch, Human Rights First and Physicians for Human Rights expressed their disappointment that the Bahraini regime did not stop the ongoing violation nor stop the impunity given to senior officials responsible, and the United States and European governments are calling for the regime to apply real political reform; and

(d) on 21 December 2011, United Nations High Commissioner for Human Rights, Ms. Navanethem Pillay, released a call to Bahraini authorities to address the ‘deepening mistrust’ between the Bahraini Government and civil society, advocating the release of people detained for participating in peaceful protests and calling for confidence-building measures, including unconditionally releasing those convicted in military tribunals awaiting trial for merely exercising their fundamental rights to freedom of expression and assembly, also stating that Bahrain trials bear marks of ‘political persecution’;

(2) calls on the Australian Government to raise these human rights abuses in international fora.

In early April I met a former member of the Bahrain parliament, Matar Ebrahim, Dr Nabeel Hameed and members of the Bahraini-Australian Youth Movement. When there were other events in Bahrain, in what they call the 'April Spring', they received resounding international coverage of support. However, perhaps because the population of Bahrain is 66 to 77 per cent Shia, in a country ruled by the Al Khalifa royal family, who are Sunnis, and because Saudi Arabia might be disturbed by any change within Bahrain, there has been a degree of quiescence at what has occurred.

In February 2011 there was a day of rage associated with other events in the Middle East and, on 17 February, there was a storming of the Bahrain pearl roundabout, which had been the main focus of demonstrations. In March the Saudi Arabian and United Arab Emirates forces invaded Bahrain at the behest of the royal family. One of the manipulations by the royal family and their supporters has been the allegation that the Iranians are behind these demonstrations. The United States administration has systematically denied that. Realistically, in the early part of these struggles, there was a clear pro-secular position taken by demonstrators. However, when you suppress people, on many occasions you get a reaction. Ian Black, in the Guardian, of 27 April, noted:

… reforms have so far been negligible, so the grievances that exploded last year have festered and worsened in an atmosphere of political polarisation in which hardliners in government and the opposition are now setting the pace.

So the more moderate, the more secular, have been marginalised by the government's firm opposition to any relevant change. The suppression has been characterised by 87 deaths. They are shooting at people at funerals. There has been oppression of doctors who assisted the victims of shootings; jailings; and deaths in jail, supposedly while being restrained or as a result of heart attacks et cetera.

Interestingly, at the recent Universal Periodic Review hearings in Geneva, a
number of countries voiced their position on Bahrain. The United States said that it:
… was concerned that several of the Commission’s most important recommendations had not been implemented.

It was referring to an independent commission that was forced upon the government. It also talked about the failure to investigate deaths. The United Kingdom said that it was:
… deeply concerned by reports of human rights violations that continue to occur.

Australia stated that it:
… remained concerned by reports of human rights violations against peaceful protestors and would like to see prisoners have access to lawyers …

Unfortunately for Bahrain, it houses the US 5th Fleet and, as I say, has Saudi Arabia as a neighbour. Saudi Arabia itself is of course infamous for a variety of activities, including very trenchant suppression of its own Shia minority, the Wahabis.

Ashara, the main Shia celebration each year, is severely suppressed. It is quite inappropriate that Saudi Arabia should be allowed by the world to interfere with this nation. What people have been seeking is democratic reform. As I said, at the start of this process there was no allegation by any party, including Israel and the United States, that there was an Iranian involvement. Yet this regime has slogans: 'Down, down with the Iranian conspiracy' in an attempt to provide an image that the issue at hand was Iranian interference.

The latest turn of events has seen Saudi Arabia promoting a political federation with Bahrain, which is essentially shorthand for 'Saudi Arabian control of the regime'.

A number of people have been on hunger strikes, including Abdulhadi al-Khawaja, the founder and former president of the Bahrain Centre of Human Rights, who lost 25 per cent of his weight in a three-month hunger strike. Recently it has been conceded that he would have a civilian rather than a military trial. Zainab al-Khawaja, was jailed for ‘insulting female police officers’.

Nabeel Rajab, of the Bahrain Centre for Human Rights, was involved in ‘an illegal gathering in March’. As I say, we are seeing severe oppression, with the collaboration of the Saudi Arabian regime. (Time expired)

The DEPUTY SPEAKER (Mr Murphy): Is the motion seconded?

Mr Jenkins: I second the motion.

Mr SIMPKINS (Cowan) (21:14): This is the first time that I have spoken in parliament on matters to do with Bahrain, although it is certainly not the first time that I have spoken on matters concerning human rights. What I have learnt in my almost 48 years is that nothing is black and white in this world and that, when we consider politics in the Middle East, that is most certainly the case. As the so-called Arab Spring uprisings demonstrated, hopes for liberal democracies in the region are somewhat forlorn. I suspect that when the dust settles in so many of these nations there will be increasingly Islamist sectarian regimes that are legitimised by elections but are not what we would call democracies. A democracy should guarantee freedom of speech, freedom of association, freedom of religion and the equality of the sexes. I am not sure that this will be the case in any of these countries that have seen revolution or changes of political systems.

Although I would like to see secular democracies throughout the Middle East, I believe that it is highly unlikely that this will happen. The reality is that there are deep complications standing in the way of such an eventuality. As I understand it, some 70 per cent of Bahrainis are Shiite Muslims, while 30 per cent are Sunnis, including the royal
family and the government. The situation is further complicated by the ongoing attempt of Iran—whose people are not Arabs, though they are Shiite Muslims—to further its influence in the region. I suspect that the military assistance to Bahrain by Saudi Arabia, an Arab Sunni majority nation, is also affected by a determination to block Iranian influence in the region. We should also remember that Bahrain is the headquarters of the US Fifth Fleet—another complication.

Given the manoeuvring of Saudi Arabia and Iran on Bahrain and the region, we should be careful about making too many assumptions about the nature of what is happening in that country. I know that the member for Werriwa is a deep thinker on these matters, and I consider his motions to be particularly interesting; but, in reading the words of this motion, I cannot help but feel the weight of the complications that affect Bahrain. There is a history of enmity between Sunni and Shiite Muslims across the world. Indeed, it seems that, through the dictatorships and autocracies that have dominated the Arab Middle East, sectarian enmities have been kept in check, albeit replaced with dominance by and advantages for a particular ruling elite. That is probably a description that applies to Bahrain, although it is notable that the Bahraini ambassador to the US is Jewish and the head of mission in the UK is a Christian lady. So the Bahrainis highlight religious tolerance, and that is quite impressive in comparison to Bahrain's near neighbours.

I turn to the specifics of this motion. In February 2011 members of the majority Shiite community took to the streets demanding more of a say in government. After some weeks of protests, the Bahraini government asked for the assistance of the Gulf Cooperation Council, and that included troops from Saudi Arabia. Iran is suspected of influencing and backing Shiite opposition groups, and both Iran and the GCC warned against foreign interference in Bahrain. Yesterday eight men were sentenced in a Bahraini court to up to 15 years jail each for plotting with Iran against Bahrain. The plot included plans to target the interior ministry, the causeway to Saudi Arabia and the Saudi embassy. Three of the men were said even to have had contacts with the Iranian Revolutionary Guards and the Basij militia.

What is clear is that the issues in Bahrain are fundamental and run deep. The domestic political situation and its outcomes could have ramifications for the whole region. A change of government in Bahrain would probably see a reduction in US military capability and a lift in Iranian influences in the Gulf. The monarchy and the Sunni-led authorities no doubt fear not only a potential loss of control but also the retribution that could follow—which has been so apparent in other parts of the Arab world.

The motion highlights the calls for action from the UN Secretary-General and human rights NGOs, which emphasise the abuses of human rights and brutal crackdowns by the authorities in Bahrain. Yet I question the effectiveness of these actions, given the motivations and complications that are at the heart of the situation. It is somewhat ironic that countries such as Iran can make use of Western liberal concepts of democracy and human rights to further their influence in the Gulf in appeals to liberal principles, yet completely disregard such issues when they oppresses the Baha'is and other minority religious groups inside their own borders.

In any case, the challenge for the royal family, the Bahraini government and the Gulf states is to seek to increase political participation and provide greater freedoms—and it is right to do so. It is encouraging that constitutional changes have occurred that
give broader power to the parliament; however, it is hard to see the end of the political instability, and I remain concerned about the balance of power in the Gulf should this situation continue.

Mr JENKINS (Scullin) (21:18): It gives me great pleasure to support my colleague the member for Werriwa in this motion. I think that both his contribution and the member for Cowan's contribution have indicated the complexity of regional politics in which Bahrain finds itself. The Arab Spring started in December 2010, when a man in Tunisia burned himself to death in protest at his treatment by police. Through the use of new technology, the movement expanded right across the region, and we saw it culminate in the events on Sunday in the massacre in Houla in Syria. So there is a lot to be done.

In Bahrain on 14 February 2011 a 'day of rage' was organised, again using social networking. As the member for Werriwa outlined, the unrest stems from the repression of the Shiite majority by the Sunni minority. According to a report in Reuters, unlike the people involved in the movements in Egypt and Tunisia which resulted in an overthrow of governments, the Shiite majority are seeking to have a greater say in the running of Bahrain.

I became interested earlier this year when the Grand Prix focused and renewed attention on the civil unrest in Bahrain. Analyst Shadi Hamid of the Brookings Doha Centre said:

For Bahrain's regime, the F1 race was a massive, almost embarrassing, failure. For the opposition, it was a godsend.

Mansoor al-Jamri, editor of al-Wasat, a respected independent Bahraini newspaper, said he was 'amazed by the state of denial' in official statements about the kingdom. 'The price we have to pay for the F1,' was added as a comment by Nabeel Rajab of the Bahrain Human Rights Society to a picture of a young man being treated for bruises and contusions on his torso and legs. Another opposition supporter described the events as 'tyrant family killing people and F1 helping make it look good.' Another tweeted: 'F1 race is over but Bahrain revolutions continue.'

It is true, as we have heard in this debate and the one before, that Australia has to be careful that it does not impose its will on nations that are undergoing great change and that hope to move towards the sort of democracy which we would understand but which must still have a cultural context for it to be successful and sustainable. Still, Australia has a role to play in ongoing debates about democracy. The member for Werriwa, in his motion, at point (2):

... calls on the Australian Government to raise these human rights abuses in international fora.

Since he tabled the motion on 8 May, we have seen Australia's contribution at the Universal Periodic Review Working Group, 13th session, in Geneva on 21 May 2012. Australia's statement said:

Australia welcomes the pledge of the Bahraini government to implement the BICI recommendations—that is, the Bahrain Independent Commission of Inquiry recommendations. But it went on to say:

Australia continues to be concerned by reports of human rights violations against peaceful protesters and urges a speedy and fair trial for those who remain in detention. All prisoners should have access to lawyers and due process through the civilian courts.

We take for granted things such as being able to have peaceful demonstrations. If, as a result of those peaceful demonstrations, we are charged with anything, we take for granted that we will have appropriate legal representation. But, amazingly, in Bahrain...
you are not even allowed to have medical attention. At the protests in February, there were injuries and people were regrouping in the grounds of the hospital, because that is where the injured thought they were secure. Doctors and nurses helped those people who were involved in the protests, and what was their reward? They were charged. They faced charges, some of them were found guilty and they face approximately 15 years in jail because they treated the protestors. Under international pressure, those people are now having their cases reheard.

It is not just this parliament that takes an interest in these things. The European parliament has reiterated its view that demonstrators in Bahrain have expressed their legitimate democratic aspirations and it calls on the government there to engage in genuine, meaningful and constructive dialogue with the opposition. That is what the member for Werriwa's motion asked for.

(Time expired)

Mr TEHAN (Wannon) (21:24): It is quite significant that we are debating this motion tonight, after yesterday's events in Syria, as mentioned by the previous speaker, and also in the light of what has occurred since September 2010 and the start of the Arab Spring.

When it comes to Bahrain, we have to look at the broader context; we also have to look at the human rights situation. We always have to remember that the broader geostrategic outlook should not in any way stop us from looking at what is occurring with human rights. If you want to look at what happened in Bahrain, especially in 2011, and if you want to look at the cause, the US State Department's 2010 human rights report clearly shows what the issues are. The report states:

Citizens did not have the right to change their government. Trafficking in persons and restrictions on the rights of foreign resident workers continued to be significant problems. There were numerous reports of abuse against foreign workers, particularly female domestic workers. There were many reports of domestic violence against women and children. Discrimination on the basis of gender, religion, nationality and sect, especially against the Shia majority population, persisted. There were multiple allegations of mistreatment and torture, especially of Shia activists associated with rejectionist and opposition groups. Authorities arbitrarily arrested activists, journalists and other citizens and detained some individuals incommunicado.

That is a fairly significant and damning report by the US State Department on the human rights situation. I think that was a precursor to what we have seen, because if governments continue to not allow the right to vote, the right to change a government and the freedoms that we enjoy, such as freedom of the press, eventually populations will rise up and demand a greater say. That is what we have seen happen with Bahrain.

I think the Australian government throughout 2011 and into 2012 got the balance right in dealing with this issue. I draw the House's attention to something that then foreign minister Kevin Rudd had to say, because I think that he got the balance right. He said:

We urge all sides to avoid violence and exercise restraint. In particular, the Government calls upon the authorities in Bahrain to respect the right of their people to peaceful protest and freedom of expression. All efforts must be made to avoid further loss of life and injury.

Further he said:

We recognise steps taken by Bahrain on political and economic reforms. Further progress is needed in meeting the legitimate aspirations of Bahrainis for political, economic and social opportunities and reform.

I think that the then foreign minister got that right. We do have to recognise what steps have been taken by Bahrain and the
geostrategic climate in which they are taking those steps, but at the same time we have to recognise what was in the 2010 report of the US State Department. Some of the activities which are taking place are unacceptable and need to be dealt with by the Bahraini government as a matter of urgency. If they do that, then hopefully the steps that are taken by the Bahraini government to address these concerns will mean that the violence we have seen in countries such as Syria in the last 24 hours will not occur. (Time expired)

ADJOURNMENT

The DEPUTY SPEAKER (Ms AE Burke): Order! It being so tantalisingly close to 9:30 pm, I propose the question:

That the House do now adjourn.

Presgrave, Mr Ross Anthony

Mr BALDWIN (Paterson) (21:29): I rise tonight to inform the House of the death of a great Australian, Ross Anthony Presgrave, of Forster. Born in Sydney on 16 July 1937, Ross passed away on 23 April 2012 at the John Hunter Hospital. How do you put into words what is in your heart, your feelings and your emotions? When I first met Ross Presgrave in 2001, it was abundantly clear that he was a man of passion and commitment, touched by a personal family experience with cancer. Ross was determined to do something for those who were doing it tough. Always standing up for the underdog, Ross was known never to do anything by halves. When Ross set out to build the biggest branch of Diabetes Australia, he had an ulterior motive: Ross was preparing to build the Forster Beach houses, a place for the kids and their families that had done it tough. Nothing would stop him.

In 2003, as the then chairman of the Forster-Tuncurry branch of Diabetes Australia, Ross was recognised for his efforts and selected as the inaugural Paterson Citizen of the Year. The award was presented by then Prime Minister John Howard, and it was an award Ross that cherished so much.

Over the years, Ross Presgrave raised hundreds of thousands of dollars for the Forster-Tuncurry community. He was also involved in diabetes education and awareness campaigns in the Great Lakes community. When he took plans to build the four beach houses to Diabetes Australia, he was let down despite repeated assurances. However, Ross would not be beaten—and so the journey continued along a slightly different path. With the help of Adam Sherman, the then owner of McDonalds at Forster, the die was cast to build the four Ronald McDonald Forster beach houses and, even through the various battles, Ross brought the project to fruition.

As I said during my eulogy:

So many of you here today would have been touched by the Holy Spirit, but everyone here has been touched by Ross, either financially or otherwise.

He was just that kind of guy. He was able to muster financial and community support; cheekily, he was a regular visitor to your wallet. Ross organised events, such as the Wimbledon at Forster tennis match, to raise funds for the beach houses. He hatched plans, cooked up schemes and achieved community support, all in the name of a good cause. When Tony Abbott, the then Minister for Health and Ageing, and his Pollie Pedal team made the mistake of turning off into Forster, Ross wasted no time and was into him for money—and he succeeded. It was never for Ross but always for the kids. He played Santa for the kids. Despite his ailing health, he always put the kids before himself—kids such as Cooper Smeaton, the face of the beach houses. It
goes without saying that his wife, Lois, is a very understanding and generous person.

Ross was a devoted Catholic. In John 14, where Jesus comforts his disciples, it says:
My Father's house has many rooms; if that were not so, would I have told you that I am going there to prepare a place for you?

Ross took this to heart with his own version:
'Ronald McDonald Beach Houses have many rooms and I have prepared a place for you.' I would like to quote from an interview with Ross from a couple of years ago:

Now, some people would call you a local legend. How do you feel about that?

Ross replied:
Well, I'm not a legend. I just love kids. You know for 20 odd years I sat outside the Amcal Chemist at Christmas time with a red and white suit on and people in the Street would call me Santa. I just love children. All the money we raise here in Forster stays here in Forster…

Ross leaves behind his wife, Lois; his son, Straun; his stepdaughters, Elizabeth and Christine; his son-in-law, Dennis; his daughter-in-law, Johanna; and his grandchildren, Adam, Matthew, Timothy, Alec, Maddison, Luke and Brooke.

When I visited him just days before he passed, all he wanted to talk about was his family and his beloved beach houses. He was worried that his legacy to our community would not be continued as strongly. With his last breath, Ross quietly informed me that he had just been advised that he would be recognised for all his efforts—he is to be awarded an OAM on this Queen's Birthday honours list. Ross will now be forever recorded as a man who gave so much to his community, to the kids and to their families facing battles which, I pray, most of us will never have to endure.

Most people come into our lives and quietly pass through; others leave footprints on our hearts and we are never the same for the experience. Rest in peace, mate, knowing your work is done here.

**Mongolia: Human Rights**

Mr Rudd (Griffith) (21:33): I rise to speak on a matter of human rights in a country a long way from Australia but of deep concern still to members of the international community. I speak here of the country of Mongolia. Mongolia is a vast country of only 2.8 million people, sandwiched between the Russian Federation and the People's Republic of China. It is a beacon of hope for democracy in Asia. Since democratic transformation in 1990, Mongolia has built a reputation in the West as an emerging democracy worthy of our support.

Mongolia has gone through multiple elections over the last 20 years. The visit by Prime Minister Batbold to Australia last year was a welcome occasion, noting the respect and admiration we in Australia have for the achievements of Mongolia and the Mongolian people. We cooperate in multiple areas—on minerals, energy and education—as countries that both respect open markets and both respect the rule of law. A number of Mongolian cabinet ministers have been educated in Australian universities, and we have significantly increased the Australian government scholarship program to that country.

Despite these achievements, recent developments have given rise to real concerns across the international community, and it is with genuine sadness that I now believe it is right to raise these matters in this parliament.

Members of the parliament may be aware that the former Mongolian President Enkhbayar was arrested on 13 April 2012 to face purported charges of corruption. The arrest itself has raised questions as to whether it constituted an appropriate
execution of the arrest warrant. His trial was due to commence last week. It has now been delayed until 4 June. The critical point for those following this case is that the former President is now a candidate for the upcoming parliamentary elections due in late June.

Lord Peter Goldsmith, a friend of Australia, a friend of Mongolia and the former Attorney-General of the United Kingdom, is one of Mr Enkhbayar's lawyers and he, in recent discussions he has had with me on this matter, has put a particularly disturbing case. Lord Goldsmith's concern is that the current charges appear to be connected with the fact that, in late 2010, Mr Enkhbayar split from the current prime minister's Mongolian People's Party to form a new party. Lord Goldsmith has expressed concern that there is a clear political motive in the charges which have been brought against Mr Enkhbayar; that these charges are, in the main, trivial; that they are a number of years old; that they have only now resulted in legal action being taken against Mr Enkhbayar, just weeks before the election in which the former President is a candidate. The Mongolian People's Revolutionary Party led by Mr Enkhbayar could indeed hold the balance of power after the scheduled parliamentary elections are held and provide a position from which Mr Enkhbayar could later contest the presidential elections.

The timeline of events is important. On 13 April, the former President was arrested live on national television as he was taken from his home, barefoot and with a bag on his head, with reports of up to 200 police involved in the arrest. Two weeks of detention followed until 27 April, when an extension of his detention was approved for up to two months. From 13 April until 7 May, the former President was denied contact with family members and did not have proper access to his legal representatives. The two-month extension of his detention beyond 27 April would have had Mr Enkhbayar in jail until the very eve of the parliamentary elections due on 28 June. I am pleased that, following international pressure, Mr Enkhbayar has since been released on bail and provided with medical assistance. However, together with others in the international community, we are concerned about the lack of information concerning the details of the allegations against him. The chairwoman of the United States Senate Select Committee on Intelligence, Senator Feinstein, has raised her concerns in the US congress on this matter, as has the former US Ambassador to Mongolia, Mark Minton, who has stated his concern that he does not want to see a 'backslide on the progress that has been made' in Mongolia in the period since its independence.

Today, therefore, I also place my concerns on the public record—concerns not only for due process to occur in that country but also my deeper concern about the damage this case may do to the good name that Mongolia has achieved in its democratic transformation in the period since 1990. I support Amnesty International's call for Mr Enkhbayar's 'right of access to lawyers, contact with family members, adequate medical care and the right to liberty'. The time has come for due process and due political process to be restored fully in Mongolia in this most controversial of cases. I would respectfully request for the President of Mongolia to respond to these considered concerns raised by the international community on this case.

Giese, Mrs Nancy, AO, OBE, MBE

Mrs GRIGGS (Solomon) (21:38): I rise tonight to pay tribute to Nancy Giese AO, OBE, MBE, a truly remarkable Territorian who died earlier this month in Darwin aged 90. I agree with my friend the former
Northern Territory senator Grant Tambling that 'for the last 58 years the Northern Territory community has been favourably influenced by the remarkable achievements of a modern-day pioneer in Nancy Giese'.

Nan, as she was affectionately known, moved to the Northern Territory with her husband, the late Harry Giese, in 1954. Their combined efforts in public administration, community and Aboriginal affairs, politics and, in particular, the fields of education and the arts attest to a substantial contribution far beyond normal endeavours.

Diana Giese, Nan's daughter, has given a historic account of life in the Northern Territory from the perspective of her parents in her book A Better Place To Live: Making the Top End a New Kind of Community. The work of Harry and Nan Giese is acknowledged throughout the Northern Territory as having made a difference. With a young family in the 1950s and 1960s Nan Giese was challenged by her participation in school parent organisations, the Northern Australian Eisteddfod Council, the Arts Council of Australia in the Northern Territory, Musica Viva, Browns Mart Community Arts and the then embryonic Darwin Community College Council to focus priorities and administration for the arts and education.

Subsequently, in the 1970s, 1980s and 1990s Nan was the most important chairperson of so many community organisations needing local leadership. One such organisation was the council of the Darwin Institute of Technology, where in the 1980s she was chair. Then she was appointed the inaugural deputy chancellor of the Northern Territory University, which is my alma mater. In 1993 Nan was appointed as the university's second chancellor, a position she held for 10 years. Nan was the university's first female chancellor. As chancellor of the emerging Northern Territory University and the eventual Charles Darwin University, Nan provided inspiration to administrators, academia and tertiary students alike.

Nan's legacy is the many Territorians who were inspired by her example and friendship to continue her good works. Appropriately she was awarded Membership of the British Empire for her services to the community in 1971. In 1977 Nan was made an Officer of the British Empire for her services to education, the arts and women. Twenty Years later, in 1997, Nan was made an Officer of the Order of Australia for the development of tertiary education in the Northern Territory and the visual and performing arts.

In 2001 she was given a Centenary Medal for her services to higher education as a founding member of the Northern Territory University Board. More recently, in 2011, Charles Darwin University recognised Nan's contributions to the university by naming the Casuarina campus art gallery in her honour. Since its opening, the gallery has provided a platform for emerging and established Territory artists to showcase their works, something Nan was a big advocate for. In response to the gallery being named in her honour Nan said, 'I'm extremely passionate about all forms of visual and performing arts and I hope that this gallery will act as a vehicle for Territory artists to further their careers.'

There is no doubt that the many awards and honours bestowed upon Nan Giese are a testament to her passion, strength, leadership and commitment to her community. I had the pleasure of meeting Nan on a number of occasions. Although I did not know her very well, she was and continues to be an inspiration to many Territorians, particularly women, and this includes me. Both Nan and
Harry were original supporters of the Country Liberal Party in the early-seventies and remained active members of the party during their lifetime.

Nan and Harry Giese are survived by their daughter Diana and their son Dr Richard Giese and his family. They must be very proud of their parents' contribution to the benefit of the Northern Territory—because I know that I am.

**Media**

Mr **STEPHEN JONES** (Throsby) (21:43): The relationship between government and the media is always close but rarely sycophantic. That is why regulation of Australia's media industry is always a controversial topic; you need only look at the howls of derision that greeted the release of the 468-page Finkelstein report in February this year to get a sense of that. Fairfax Media CEO Greg Hywood, for example, said 'What's the problem?' and others have shouted loudly about the sanctity of the freedom of the press. The CEO of News Limited, Mr Kim Williams, said, 'The spectre of a government-funded overseer of a free press in an open and forward-looking democracy cannot be tolerated.' I would argue that there is no threat to democracy or the freedom of the press in providing some oversight or an avenue of appeal or redress to a citizen who claims that, in some instances, the press have got it wrong. In other circumstances, we might call this government funded overseer a court and there is indeed no threat to democracy or the freedom of the press by the existence of courts in this country.

Australia's media industry, with the exception of the presence of the Australian Press Council, is largely self-regulating. The media set the rules for their own behaviour and they handle the complaints. As Mr Finkelstein points out in his report, the existing mechanisms for media regulation in Australia are inadequate and are not consistent across all mediums. They do not take proper account of online journalism or media convergence, for example. The avenues for redress are also few and not accessible for all. Defamation, for example, is a slow and expensive process, available primarily only to the wealthy, and at the end of the day nobody ever really wins. The Australian Press Council is limited in its approach. The only sanction it provides is the issuing of a negative adjudication and this is often largely ignored. The very worthy MEAA Code of Ethics has no application to media proprietors.

To be frank, the media scrutiny in Australia is largely left to the good work done by programs like the ABC's *Media Watch* but, as entertaining as that program is, a short weekly television program can hardly be expected to bear the weight of the range of issues that are in the public domain or raised by aggrieved individuals. In short, there is a wide gap between what the media and the public see as being ethically acceptable in regard to privacy.

There has been a proposal in the Finkelstein report for the establishment of a news media council and I think it deserves careful consideration. This recommendation is a very sound one and all members in this place should support it. The model is neatly described by Mr Finkelstein as 'enforced self-regulation'. A news media council would provide members of the public with a mechanism to handle complaints and to undertake a more timely response than is now the case. This council, as proposed by Mr Finkelstein, would be independent of government and could not be influenced by government at all. Membership of the council would also be determined independently of government. Just as importantly, and unlike the current
Australian Press Council, it would also be independent from the influence of newspaper companies.

I understand that a member of parliament advocating regulation of the media will be examined for ulterior, some might say political, motives. Nothing could be further from the case. I argue that better regulation of the media is in everybody's best interests, including, I think, for the journalists—the great body of men and women who slave day after day to bring news to every living room in the country—and even the media themselves. Constituents frequently express their cynicism in the media and their lack of trust, observations of bias and invasion of privacy.

The role of the media in a democracy is fundamental to its functioning. Every day, as elected representatives, we are accountable for our actions and our words. That is exactly as it should be. Freedom of speech is the basis of our democracy. No-one here would argue with that tenet. But, as Mr Finkelstein has set out in his report, we cannot turn a blind eye to the serious problems of declining trust in media standards that he has identified. We have examples from overseas of what happens when we slip on the very slippery slope of declining standards. I do not argue that that is the case here, but we should avoid it at all costs. (Time expired)

**Juvenile Diabetes**

**Mrs MOYLAN** (Pearce) (21:48): Since the early formation of the bipartisan Parliamentary Diabetes Support Group in the parliament just over a decade ago, it has advocated for strong national policy initiatives for people with diabetes and in particular for children who live daily with the complications and restrictions that type 1, or juvenile diabetes, imposes on them. We are about to co-host with the Juvenile Diabetes Research Foundation the fourth Kids in the House event later this year.

This gives young people an opportunity to directly express how diabetes affects their lives day to day. For most it means a regular daily routine of several blood tests and injections. Even in the best controlled situations, some young people live with the complications that arise from HbA1c levels that are difficult to control. That is why the Parliamentary Diabetes Support Group, along with the Juvenile Diabetes Research Foundation, asked for and supported an insulin pump subsidy scheme prior to the 2007 election. It was aimed at young people from low-income families who do not have private health insurance.

An insulin pump is a small computerised device that provides a slow continuous level of rapid-acting insulin analogue delivering basal rates to accurately match the individual's needs throughout the day. The insulin pump is an important groundbreaking technology. According to the Australian Department of Health and Ageing's own national evidence based clinical care guidelines for type 1 diabetes in 2011, it is known to provide positive changes in the diabetes management, including reduced HbA1c levels. The lifetime use of pump therapy was shown to improve cost-effectiveness ratios when the long-term health and quality of life improvements associated with pump therapy were included.

Compared with the conventional multiple daily injection therapy, insulin pump therapy shows a significant reduction in both adults and children of severe vision loss, end-stage renal disease, peripheral vascular disease and myocardial infarction. Further, the guidelines demonstrated that pump therapy was associated with an improvement in life expectancy for both adults and children. The same study found that insulin pump therapy
was cost-effective over a lifetime of treatment.

The insulin pump program implemented following the 2007 election initially had a poor take-up rate due to the criteria. The Parliamentary Diabetes Support Group, along with the Juvenile Diabetes Research Foundation, asked the Minister for Health and Ageing to review the program. That was agreed to and, following the review, changes were made to the criteria. In its submission late last year to that review, the program administrator, JDRF, demonstrated that the program had significantly improved its performance over the previous period. Improvements include a copayment funding agreement with manufacturers and an enhanced promotion campaign. This has seen the take-up rate of pumps double, which is a very pleasing result. But JDRF provided the department with a forecast which showed that funding for 556 pumps would be needed over the next four years to 2015-16 based on improved patient demand and in the context of increased diagnosis rates for type 1 diabetes of three per cent per annum.

Although we are pleased that the federal budget has provided for the continuation of the program, it is of grave concern that there will be a considerable shortfall in what the budget has allocated against the forecast provided by JDRF. Indeed it meets less than half of the projected demand. In essence, it means that the funding for this four-year program, on the current take-up rate, will be exhausted within the first four months of the next financial year. Given the serious and life-threatening complications of diabetes and the efficacy of insulin pump therapy as demonstrated by the government's own guidelines, this is a regrettable decision and I will be asking the Minister for Health to reassess the program with a view to ensuring that it is adequately funded.

In the seconds that I have available I acknowledge the tremendous work done by Mike Wilson, the chief executive officer of JDRF, and his team in making sure that children get the best possible, best practice medicine for kids with type 1 diabetes.

**Bowel Cancer**

Ms HALL (Shortland—Government Whip) (21:53): Bowel Cancer Week falls in the week of 3 to 9 June, so I raise the issue of bowel cancer tonight in this parliament. Australia has one of the highest bowel cancer rates in the world. It is the second most common diagnosed cancer in Australia, and around 14,234 Australians are told they have bowel cancer every year. Bowel cancer is the second biggest killer after lung cancer, claiming the lives of around 4,047 Australians every year—80 Australian lives every week. In fact, my father died from bowel cancer, as have some very close friends—and I will talk about a woman who died recently and about an event that I am holding in my electorate.

Bowel cancer is one of the most curable types of cancer if it is detected early. The chance of surviving for at least five years if diagnosed early enough is 90 per cent, and most people are able to return to their current lifestyle. However, most cases are detected at a later stage and, because of that, close to 60 per cent of people diagnosed with bowel cancer survive for only five years. As I have pointed out, that could be a lot better if there were an earlier diagnosis of the disease.

Early detection offers the best hope of reducing the number of Australians who die from bowel cancer each year. Based on current levels, one in 12 Australians will develop bowel cancer before the age of 85. It is a disease that both men and women are at risk of developing. The greatest risk factors are if you are aged over 50 years; have had an inflammatory bowel disease, such as
Crohn's disease or ulcerative colitis; have previously had special types of polyps called adenomas in the bowel; or have had a significant family history of bowel cancer polyps. A new study has found that up to 20 per cent of adults with bowel cancer symptoms, such as bleeding, have not consulted a doctor about their symptoms. That is a very serious mistake by those people because, as I have already indicated, early detection gives a person the best chance of a cure.

A new report by the Australian Institute of Health and Welfare predicts that 20,000 people will be diagnosed with bowel cancer in the year 2020. That is mostly due to the ageing population. Importantly, bowel cancer will continue to be the second most common cause of cancer. The report _Cancer incidence projections 2011-2020_ predicts that 150,000 Australians will be diagnosed with some form of cancer in the year 2020.

I was very pleased to see in the budget a $49.7 million boost over the next four years, which means that Australians who turn 60 from 2013 and 70 from 2015 will be invited to participate in the free screening program. Over one million additional people will have the opportunity to participate in bowel cancer screening over the next four years. Between 1 July 2012 and 31 December 2015 around five million Australians will be offered free bowel cancer screening. This is a big commitment by the government to introduce free two-yearly screening for all Australians between the ages of 50 and 74. From 2017 additional age groups will progressively be included in the screening program.

As I mentioned earlier, on 5 June I will be holding a bowel cancer awareness forum in my electorate at the Ballantyne bowling club. On that day there will be a representative from the Cancer Council, Peter Morris—a survivor of bowel cancer and a friend—who will be telling the sad story of his wife, Vicki. Vicki lost her fight with bowel cancer earlier this year, and the sad side of the story is that if she had been diagnosed earlier she would still be alive today.

**Cycling**

Mrs PRENTICE (Ryan) (21:59): We all know that the best compliments are those that come from third parties and independent minds. That is why I was so pleased to read the latest issue of _Ride_ magazine and its article about cycling in Brisbane. As somebody who worked over a number of years with the support of the then Lord Mayor Campbell Newman to build and extend Brisbane's bikeway network as chairman of public and active transport in Brisbane City Council, _Ride_'s comments were music to my ears. _As Ride_ says:

Brisbane has not mucked about with its cycleway network, and this particular stretch sandwiched between Coronation Drive and the river is the jewel in its crown. It is wide, scenic and a postcard-perfect display of the co-existence between cyclists and other users that most cities only dream about.

Working closely with Bicycle Queensland, I was delighted to play a role in extending and upgrading that network and these projects were continued by Councillor Julian Simmonds. The Brisbane City Council under Lord Mayor Graham Quirk has also committed to increase bikeway funding to a record $120 million over four years. This funding will help make cyclists and pedestrians feel safer by fixing dangerous black spots and funding a greater police presence on the city's bike paths.

The Better Bikeways 4 Brisbane program is fully costed and is in addition to the $5.8 million allocated in the council's budget for general bikeway maintenance and repair over the next three years. I am also pleased that this funding will go towards a commuter
network targeting the city's top eight employment areas, which include the Toowong/Indooroopilly hub in my electorate of Ryan. It will be money well spent and money that recognises the ever-growing cycling community; a community that directly and favourably impacts on our environment. Brisbane City Council's record on green issues is outstanding, with practical approaches generating real environmental results; results that should be encouraged, not penalised as they are under the Gillard government's carbon tax.

The article in *Ride* also goes on to discuss iconic rides, two of which take place in whole or in part in my electorate of Ryan— the river ride and Mount Coot-tha. Both are examples of rides that co-exist well with other bikeway and road users. However, Mount Coot-tha remains quite dangerous and both cyclists and motorists need to stay alert.

It is important that cycling generates its own economic benefits separate to environmental spin-offs. In Ryan it can be seen in coffee shops and restaurants, bike shops and cycling coaching. There are places like the amazing Hundred Acre Bar in St Lucia, which is a fine establishment, well run by Hans and Jens, that is happy to support cycling. There is also the Summit Restaurant on Mount Coot-tha and more recently the charming corner store coffee shop in Sylvan Road which enables many cyclists to co-exist with mothers and fathers dropping off their children at Toowong State School. It can be seen in the plethora of bike shops in Ryan, ranging from Kenmore Cycles to 99Bikes in Auchenflower and so many more. And it can be seen in coaching businesses like those of Adam Gill of Cycling Science and Marcel Bengston of MB Cycles who regularly have their squads doing a morning workout.

Cycling has enormous community benefits, but it is important to acknowledge that, apart from environmental and economic benefits, cycling contributes significantly to community health simply through fitness. Indeed, in our ageing community where governments must consider the healthcare costs of the baby boomers, it is significant to note how many cyclists over 50 have taken up this sport—often well over. In fact, a new word to describe this trend is now used in everyday language—MAMIL—middle-aged men in lycra. I am told it is not unusual to come across remarkably fit 70-year-olds leaving their much younger cycling companions gasping in their wake. They are lucky if they can 'get on the wheel' of the old bloke up front just to get a tow.

I congratulate *Ride* for the article and also for producing a remarkably informative magazine. I look forward to their coverage of this year's Tour de France and of the London Olympics—both events that will showcase remarkable Australian cyclists. From Cadel Evans to Green Edge cycling is a sport on the move in Australia and on the world scene. It is a sport that encourages friendship and a great community spirit. With cycling we are all winners, even those who do not ride.

**Bullying**

Mr LYONS (Bass) (22:03): I rise in the House tonight to speak on the issue of bullying. Rueben Cunningham, a constituent in my electorate, contacted my office earlier this year with a plea for help. His daughter, Chloe, was severely bullied during her school years. Her story is quite terrifying and with her permission I will share it with you today.

The severe bullying started when Chloe was in year 7. Chloe has said that food was thrown at her, drinks were poured down her back, there was name-calling, exclusion from...
groups and relentless Facebook bullying. She relocated schools three times. The bullying continued through her high school years and, when she was 18, the effects of bullying manifested themselves in severe physical symptoms. She stopped eating, lost 10 kilos, her kidneys failed, she had short-term memory loss and was in constant pain. She was in a wheelchair for four months, spent a number of months hospitalised and her symptoms led the medical profession to think that she could have motor neurone disease or MS. Luckily, Chloe has made a full recovery.

Rueben has now started an organisation called Angels Goal with the intention of educating kids in schools about the effects bullying can have on a person. He is so passionate on this matter, contacting schools, MPs, local councils and sporting and community groups to get his message out. His plan is to get school children to sign a pledge to affirm that they will not bully others. This is to create awareness and encourage accountability. Rueben would also like Angels Goal peer support networks in place to help those who have experienced bullying. His next aim is to create a mentoring program for workplaces.

Bullying in all its forms is basically an abuse of power by someone who is stronger—physically, verbally, mentally, socially, electronically, politically or financially—towards someone who cannot block the bully's games and cruel behaviour. Threatening behaviour is unacceptable and reflects on the judgment and intelligence of the perpetrator. Bullying causes damage to everyone concerned: the target, onlookers, families, the school, the workplace, employers and the community.

Technology is now often used as the medium for bullies to hurt their victims. Fights are being filmed and placed online, inappropriate pictures and text messages are being sent, and insults are being thrown around on Facebook. Young people—indeed all of us—need to understand that our behaviour can be broadcast worldwide, and it is very difficult to get that content deleted. The damage it can cause includes physical, psychological, social and identity injuries. It can affect studies, careers, relationships and financial wellbeing. It can cause severe mental health issues, such as post-traumatic stress disorder, lasting many years, or conversion disorder, like Miss Cunningham.

If you are being bullied, it is important to remember that you are not to blame and that there are steps you can take to stop it. Bullying is a serious matter and no-one should have to put up with being bullied. In March this year the Gillard government launched the new Bullying. No Way! website and the Take a Stand Together mobile app as part of the National Day of Action Against Bullying and Violence. We have also launched the cybersafety help button, a free desktop application for kids which provides information about counselling services, reporting abuse and dealing with online risks like cyberbullying.

Cyberbullying is an increasing problem, with most kids having access to a handheld mobile device and regularly interacting with social media. This is a serious problem that we need to direct more attention to, and I know Senator Bilyk in my home state of Tasmania has been a big advocate of this. Cyberbullying presents us with a range of new challenges, but we are committed to working with parents, students and schools to tackle this important issue. Confident, happy, resilient children do better at school and are more likely to lead happy and positive lives. We are working with states and territories to implement the National Safe Schools Framework, which will support schools to take a proactive approach to
developing safety and wellbeing policies, and addressing bullying.

I thank Chloe for being so brave and telling her story. I congratulate her dad for his action. Earlier this year we celebrated the National Day of Action against Bullying and Violence. Let us vow to make every day a National Day of Action against Bullying and Violence. Let us make all parliamentarians demonstrate leadership and be exemplary in this area. (Time expired)

Private Health Insurance

Mr PYNE (Sturt—Manager of Opposition Business) (22:08): One of the very bad decisions that this government has made—amongst many bad decisions—has been the means-testing of the private health insurance rebate. I remember in 1983, when we lost power under the Fraser government, private health insurance covered about 50 per cent of the Australian population. By the time we regained office 13 years later it was down to 30 per cent of coverage of the Australian population. The Labor Party regarded that as a tremendous success, because it had almost destroyed private health insurance in this country. I remember Graeme Richardson, as the Minister for Health, saying that if private health insurance got to about 30 per cent it would be unsustainable. After 13 years the Labor government had got private health insurance to the point where it was almost unsustainable. Fortunately the Howard government was elected and we introduced measures to encourage private health insurance, and by the time we left office 11½ years later we had managed to get private health insurance back to around 45 per cent coverage of the Australian population. In some electorates it is even higher than that. In my electorate, about 72 per cent of the population are covered by private health insurance.

One of the decisions the government made in recent times was to introduce a means test for the private health insurance rebate, which means that private health will be put out of reach of many families around Australia. The very absurd part of the government's decision was that, in their own way, they think that by hurting private health insurance they are hurting the well-off and redistributing wealth from the well-off to the less well-off. But by damaging private health insurance, they damage the whole health system. And by damaging private health insurance, they raise premiums for all Australians with private health insurance and that includes many seniors in the Australian population of which a great number are pensioners. In my electorate of Sturt, I have constituents who approach me at the supermarket, at the service station or at the football and tell me that they have hung on to their private health insurance their whole lives. They go without all sorts of necessities of life to hang on to their private health insurance because they know that in their aged years they will rely on private health insurance to be able to access the health system.

There is no doubt there will be an exodus from private health insurance because of the means-testing of the private health insurance rebate. But even on the government's own figures, the private health changes will increase the number of procedures performed in Australian hospitals, in government hospitals, by a staggering 845,000 procedures. The Australian taxpayer will now have to pay the bill for 845,000 procedures that previously were picked up by the health insurance industry, therefore forcing up the cost of the health system for the Australian taxpayer. So the Australian taxpayer gets a double whammy: families are hurt by paying higher premiums, pensioners leave the private health insurance system.
because they have to pay higher premiums and the taxpayer has to pay a higher health bill because of the number of procedures forced into the public hospital system.

There are some misconceptions about private health insurance in Australia and one of those is that private health only looks after the top end of expenditure in the health system. In fact, the private sector contribution to selected episodes of procedures performed in private hospitals is quite extraordinary. Eighty-one per cent of all mental health treatment on the same day is performed in private hospitals, 78 per cent of other-need procedures are performed in private hospitals, 70 per cent of complex middle-ear infections, 71 per cent of lens procedures, 64 per cent of other major joint replacements and limb reattachments, 60 per cent of cancer therapy including chemotherapy, 55 per cent of major procedures for malignant breast conditions and 57 per cent of hip replacements are conducted in private hospitals. So the private health system makes an extraordinary contribution to surgery that would otherwise be regarded as elective surgery. (Time expired)

Humphreys, Mr Laurie

Ms PARKE (Fremantle) (22:13): Both the member for Swan and I made brief statements last week in remembrance of Laurie Humphreys, a very significant and special resident of the city of Cockburn within my electorate of Fremantle, who passed away from cancer on 8 May 2012. I would like now to expand upon the sentiments expressed already in this place, as well as at Laurie's funeral held at Fremantle cemetery on 15 May which was attended by many of Laurie's family members, including his partner of many years Frankie, and his children, grandchildren and great-grandchildren, as well as many friends including the mayor of Cockburn Logan Howlett, and Cockburn RSL Vice-President Arthur Stanton, who both spoke at the service.

Despite the fact that Laurie did not have a classic childhood, Laurie was in many ways a classic Australian—a man who came here from another country; a man who made a life in the face of considerable difficulty; a bloke whose sense of humour and forbearance allowed him to grow from a boy who was given very little in the way of love and care, to a man who gave so much. Laurie was sent to Australia as one of many British child migrants in the middle of last century.

In late 2009 I spoke of Laurie's experience during my contribution to the motion on the national apology to the forgotten Australians. At that time I described Laurie as plainly resilient, resourceful and good-humoured. He was a man who experienced a hard life from the beginning, who, as a boy, was subjected to abuse and to the requirements of physical labour that should not have been placed on someone his age, and he was given little opportunity through education. From that kind of start in life—a childhood of hardship and dislocation—Laurie Humphreys' enormous contributions to community and public life in WA and to the wellbeing of his fellow Western Australians are remarkable.

As a boy, Laurie's excitement at arriving in Fremantle and the promise of a new life was soon thrown against the harsh reality of the actual circumstances in Bindoon, a place known as 'Boys Town'. It was here that he confronted the shock of learning, first, that he had not actually been an orphan when he came to Australia and, second, that he had a brother, Terry, who did not know he existed. It is understandable that family became one of the most important things in Laurie's life, and at his death his extended family now
stretches to more than 50 grandchildren and great-grandchildren.

In his work and community life Laurie was an active and successful unionist, a member of the ALP in Western Australia, and a long-time and influential Cockburn councillor. It was only in 1982, when he returned to England, that he was finally reunited with all his living siblings. He subsequently formed FACT, Forgotten Australians Coming Together. In his book, _A Chip off What Block: A Child Migrant's Tale_, he talks about how extremely blessed he has been in his life, despite his upbringing and despite never having had the benefit of a formal education.

I want to note that Laurie's staunch advocacy for forgotten Australians in my electorate of Fremantle but also throughout WA and nationwide put this miscarriage of justice into the public view. And although Laurie did not live to see the opening on 16 May of the recently established Tuart Place, a centre dedicated to continuing to assist forgotten Australians in the Fremantle area, it is an achievement that owes a great deal to Laurie Humphreys, as is acknowledged in the plaque dedicated to him at the site. I was privileged to attend the opening of Tuart Place and to join with others, including the patron of the centre, the member for Swan, in celebrating Laurie's life and his remarkable achievements.

I want to express my condolence to Laurie Humphreys' family, and as the federal member for Fremantle I want to acknowledge the enormous contribution he made to the Cockburn and wider WA community. On a personal level, I would like to say how much I enjoyed getting to know Laurie. He was a charming, gentle, genial but very determined man—and I benefited greatly from his input, guidance and wisdom. What I came to understand about the plight of the forgotten Australians I owe in large part to Laurie. He helped me to see, as I was moved to say in 2009:

> There is no greater act of responsibility, there is no heavier weight of care and there is larger placement of trust than that which exists in undertaking the care and custody of children who are without the benefit of a secure and capable and loving family. A society's capacity to look after children who find themselves in those circumstances is one of the best measures of its compassion, of its commitment to a broad safety net for the protection of the vulnerable and the disadvantaged, and of its principles of social responsibility and social justice.

Laurie Humphreys helped me to see this—through his life, his fortitude and his testimony. He was one of thousands of children who were badly let down by our institutions and policies here in Australia at the time, but he transcended that hardship and neglect and he lived a life full of generosity, full of dedication to his community and family. We miss him and we remember his amazing life. Rest in peace, Laurie.

### Casey Apprentice/Trainee of the Year Awards

Mr TONY SMITH (Casey) (22:18): I rise tonight to speak about the 2012 Casey Apprentice/Trainee of the Year Awards. In 2009 I initiated the Casey Apprentice/Trainee of the Year Awards to recognise, reward and encourage careers in local trades and local small business. As we know, the apprentices and trainees of today will help form the backbone of our future small businesses and local economies in our electorates. I have long believed we should be doing all we can to encourage and value excellence in our apprentices and trainees.

On Wednesday, 18 April 2012 I was very pleased to host the award ceremony for all of those who were chosen for their excellence in a variety of trades. This is the third
successive year these awards have been held. Earlier in the year an independent panel of local business owners and managers kindly volunteered their time to sift through the many nominations and select those they thought the most deserving. I want to pay tribute to those who work so hard on the panel. Mr Phil Munday of Phil Munday’s Panel Works chaired the independent judging panel. He was joined by Sue O’Brien from Chateau Yering, Nick Fraraccio from Stevens Glass and Clive Larkman from Larkman Nurseries. From the many applications received, the panel narrowed down to 10 finalists, who they decided were all worthy of an award. The industries represented included cabinet-making, carpentry, electrical, fitting and turning, horticulture, hospitality, spray painting, retail and business administration.

The overall winner was Aaron Liebelt, aged 20, from Kilsyth, who is an apprentice cabinet-maker at Yarra Valley Cabinet Makers in Kilsyth South. Madam Deputy Speaker, you will not be surprised that it was not just the 17-year-old school leavers embarking on a career in a trade. In fact, there were many mature age people represented and nominated, who are swapping the daily grind of the corporate world for the prospect of learning a trade.

For that very reason the panel decided to break the 10 finalists into two distinct categories—young apprentice/trainees and mature aged.

The winner in the young apprentice category was Dexter Bills, aged 20, from Chirnside Park, an apprentice spray painter at Slammed Creations in Lilydale. The runner-up was Paige Marsh, aged 18, undertaking a certificate in business administration at Yarra Ranges Shire Council. Encouragement awards were also awarded to Sean McCarthy, 21, from Lilydale, an apprentice electrician at Laser Electrical in Lilydale, and to Kate Butt, aged 21, from the Patch, undertaking a certificate in hospitality at Friends on the Hill in Monbulk.

In the mature age category the winner was Claude Zappia, 37, from Silvan, now an apprentice fitter and turner at OzPack in Scoresby. The runner-up was Lee Crippen, also 37, from Mooroolbark, an apprentice chef at Stones of the Yarra Valley in Coldstream. Encouragement awards went to Adam Edwards, aged 46, from Mt Evelyn, an apprentice horticulturalist at Specialty Trees in Narre Warren East; Stewart Morris, aged 28, from Healesville, an apprentice carpenter at Fineline Building Products in Boronia; and, finally, Sue Williams, aged 49, from Lilydale, undertaking a training and assessment certificate and diploma of management at Wendy's in Chirmside Park. As I mentioned earlier, the overall winner was Aaron Liebelt, aged 20, from Kilsyth, an apprentice cabinet-maker.

I wanted to take the opportunity tonight in the House to congratulate all 10 finalists, their employers who came along to make the night the success it was and, again, the judging panel, who did all of the hard work in choosing the 10 finalists, the winners and the overall winner.

National Indigenous Youth Parliament

Ms BRODTMANN (Canberra) (22:23): It gives me great pleasure to speak tonight about the National Indigenous Youth Parliament, which I presided over on Saturday afternoon at Old Parliament House. The event coincided with National Sorry Day, as well as the start of National Reconciliation Week this week. It was therefore poignant that the first ever Indigenous Youth Parliament be held over the weekend, in the same place where the Indigenous right to vote was established exactly 50 years ago. In 1962 Indigenous
people obtained the right to vote in federal elections. And this allowed them to vote in the historic 1967 referendum, which amended the Constitution. And so 50 years on here we are, with our Indigenous leaders of the future here in Canberra playing an active role in the democratic process.

It was wonderful to see that democracy alive and well again in Old Parliament House. There were six representatives from each state and territory and two from the Torres Strait Islands in the old chamber, where they presented and debated bills on issues that matter to them. The event was run by the YMCA and the Australian Electoral Commission, marking one of their major events in this the Year of Enrolment. I would like to take this opportunity to commend the YMCA and the AEC for organising the event and the week of activities for these young Indigenous leaders. Members of the Indigenous Youth Parliament came from all over the country—from remote, regional and urban areas. Some are still at school and others are out there working in their communities. Many of them volunteer and have a deep interest in land rights, health, education and political representation for Indigenous people. Members from the ACT included Casey Keed, Felicia McLean, Frank Gafa, Brooke Dunemann, Melissa Passarelli and Stephanie Pollard. It was great to see them in action and see the passion and drive they have for making Australia a better place for Indigenous people.

Participants from all over the country spoke on a broad range of issues, which they debated fairly and respectfully. I presided over the Indigenous Housing Reform Youth Bill 2012 and the Mandatory Immunisation Youth Bill 2012. These bills were developed by the participants in the days before that, and they developed amendments to those bills. They went through the whole process of the first, second and third reading speeches and the debates on the amendments. It was a really rigorous process and introduced them not only to legislation and how to develop amendments but also to the whole process of putting legislation through the parliament. It was a fascinating experience for them and I know, from talking to them, that they gained a great deal out of it.

There were two adjournment debates and they drew on the personal experiences of those who were present. They revealed a real passion about a range of issues, such as leadership and the need for more opportunities in local communities. In a way it rallied their need to mobilise together. They were encouraged to work together to mobilise their communities and to go out there and seek opportunities—and take opportunities—and advance education and encourage people to use education as the transformer that it is.

The participants spoke about alcohol and drug problems, youth suicide and suicide more generally in their communities. They spoke about mental health issues. A number of the participants touched on youth suicide and spoke about their own personal experiences from school friends who had unfortunately committed suicide. They debated ways to improve our country and make it a better place. The issues ranged from discrimination on the internet to how to rehabilitate young people who have been in prison and from youth suicide to the need to educate people on same-sex marriage. There was a broad range of issues covered. Everyone who spoke on them spoke in a very brave, courageous and passionate way.

By the end of the weekend these young people had debated a range of issues, with many speaking from personal experiences, and many of them were deeply emotional and moving. I am sure they will take this...
experience back with them to their local communities, and perhaps even aspire to come back to this place one day and represent their local communities as federal members of parliament. I wish them all the best of luck in whatever their pursuits may be. They are wonderful young people. They are wonderful leaders.

**Murray-Darling Basin**

Mr McCormack (Riverina) (22:28): The New South Wales Minister for Primary Industries, Katrina Hodgkinson, has slammed the revised Murray-Darling Basin Plan, saying that it has not given due consideration to any of the issues raised in the New South Wales government’s submission, which detailed a sensible and practical way forward. She is right, of course. New South Wales makes up, as the minister said, 56 per cent of the basin and yet it has been totally ignored in the revised draft—or should I say daft—plan that has come out today and has been given to the states. She said: ‘It beggars belief that the Murray-Darling Basin Authority thinks it can just republish virtually the same information and assume the community will accept this.’

The community in the Riverina electorate will not accept a situation where 2,750 gigalitres of productive farming water is going to be given to the environment when the people who are claiming this needs to happen cannot justify the reason this is so and what the water will be used for. Minister Hodgkinson said:

> It appears the Authority has no ability to develop a genuine plan to manage the health of the Murray Darling Basin.

Under the revised draft Plan, southern NSW communities in particular remain the most vulnerable as the Authority has still not indicated how downstream requirements will be apportioned between States and Valleys.

The area in which I live is made up of the Murrumbidgee Valley. The Murrumbidgee, in Aboriginal terms, means never-failing water supply. That never-failing water supply supports a prosperous agricultural community that provides $5 billion to the Australian economy—billions of dollars worth of agricultural exports to Australia—and is being totally ignored by the MDBA.

The Deputy Speaker: Order! It being 10.30 pm the debate is interrupted.

House adjourned at 22:30

**NOTICES**

The following notice(s) were given:

Ms Parke to move:

That this House:

1. calls on Australian Parliamentarians to endorse the Global Parliamentarian Declaration on the Arms Trade Treaty;
2. recognises:
   (a) that the poor regulation of arms:
      (i) results in tens-of-thousands of lives needlessly lost every year;
      (ii) undermines peace and peace building processes, human security, poverty reduction initiatives, and prospects for sustainable socioeconomic development; and
      (iii) facilitates gender-based violence against women who disproportionately endure the indirect, longer-term consequences of armed conflict;
3. congratulates successive Australian Governments for their demonstrated commitment to an internationally binding arms trade treaty; and
4. calls on the Australian Government to continue strong advocacy for an international arms trade treaty at the upcoming United Nations negotiations on the matter in July 2012.
Ms Smyth to move:

That this House:

(1) reaffirms its commitment to the promotion of clean energy industries in Australia in order to develop a sustainable, healthy and safe energy future for our country;

(2) recognises:

(a) that the expansion of Australia’s wind energy industry is of critical importance in promoting Australia’s energy security while decreasing pollution;

(b) the importance of the wind energy industry in ensuring, in the most cost effective manner, that 20 per cent of Australia’s electricity supply will come from renewable sources by 2020; and

(c) the considerable opportunities for increased employment, industry and regional development which are, and will continue to be, generated by the Australian wind and general clean energy sector; and

(3) expresses its profound concern that, through the imposition of unreasonable planning restrictions on wind farm developments, state governments risk creating investment uncertainty for the wind energy sector and forfeiting the local jobs and industries that will be created as we move to a clean energy future.
The DEPUTY SPEAKER (Mr S Georganas) took the chair at 10:32.

CONSTITUENCY STATEMENTS

Calare Electorate: Small Business

Mr JOHN COBB (Calare) (10:32): I rise to speak about the trials and tribulations experienced by small businesses in my electorate of Calare. Unfortunately, thanks to this Labor government they have more trials and tribulations. There are well over 10,000 small businesses in Calare alone. Last month Senator Arthur Sinodinos, my colleague in the Senate and the chairman of the Coalition Deregulation Taskforce, and I met with small business owners in Bathurst and Orange to listen to their concerns and their hopes for the future of small business in regional Australia. Over-regulation, unnecessary compliance costs and red tape are crippling small business, and the message we heard loud and clear is that the current government and those members opposite are not listening. Not only are they not listening to these concerns; they have gone and hit small business with the world's biggest carbon tax but with no indication of how it will affect small business and with no compensation.

Recently Labor's so-called duty senator for my electorate of Calare was on a panel of speakers at a post-budget forum in Bathurst. The duty senator told the audience that the carbon tax will cost the average household $9.90 a week and that the government will compensate those households with $10 a week, totally ignoring everything they have not thought about and the costs that every facet of everyday life will cause ordinary people—even the Salvation Army. But, when asked how much the carbon tax will cost small business each week, he could not answer. He had no idea. It was a disgrace.

As one panellist pointed out, the Howard government invested a great deal of time and effort to educate and prepare business for the introduction of the GST, but this government has done nothing to prepare business for the world's biggest carbon tax. The owner of your local corner store, your hairdresser and your plumber will all be hurt by the government's carbon tax, but the Prime Minister, the Treasurer and all those sitting opposite have made it clear they do not care. The coalition does care. We formed the Coalition Deregulation Taskforce last year to look at ways to reduce the costs and burdens of regulation to business by at least $1 billion a year, and the opinions of small business in Calare are very much a part of that. We set up this task force because, unlike Labor, the coalition wants to help small business. Unlike Labor, we want to help small business grow and prosper because, unlike Labor, we know small business in Calare is the heart of it.

Osuch-Helsham, Ms Nicole

Dr LEIGH (Fraser) (10:35): During the 2010 election campaign, one of the suburbs I doorknocked was Harrison. I sent out a letter letting residents know I would be in the area and inviting people to contact me if they had any issues. Nicole Osuch-Helsham phoned me up to say that, after I had finished doorknocking, her daughter Paige would like to interview me about politics. Nicole promised to provide coffee and cake. When I arrived after an afternoon of doorknocking, a delicious cake had just come out of the oven, and eight-year-old Paige had a battery of questions. They were deeper questions than the most professional journalists had been asking on the campaign trail—things like, 'So why are you in the Labor Party rather than
the Liberal Party?" The following week Paige also interviewed Liberal candidate James Milligan.

After the interview was over, I told Nicole how impressed I was by Paige, but I was also curious as to why she had invited me to drop by. It was then that Nicole told me she had been diagnosed with secondary cancer: 'not the Kylie Minogue kind of breast cancer but the Jane McGrath kind'. The cancer had come back and Nicole knew she would not be around to share the teenage years with Paige and her younger sister, Sierra. So she had quit her job and was packing all the parenting she could into the time remaining.

After I won the election, Nicole and her husband, Gavin, brought the girls along to my first speech. A few months later she arranged for me to go to Harrison School with my friend the member for Bowman. The 'two Andrews talk politics' event was a hoot. Anyone who thinks primary schoolkids are apathetic about politics needs to spend some more time in the classroom. Shortly afterwards I launched my Big Ideas competition at Harrison School. When the WIN TV crew turned up, I introduced Paige to the journalists as my youth adviser. That night I smiled as the title appeared beneath her name on the television screen.

Cancer finally claimed Nicole on 7 May 2012, aged 43. The funeral service was held after Mother's Day, so Paige and Sierra drew cards for her and placed them on the coffin. In one eulogy Nicole was described as a 'goddess'. She had established a support group for people with secondary cancers. Nicole had spent time with friends and had devoted herself to her daughters. Her closest friends and fellow goddesses, Louise Talbot and Catherine Gladman, said that Nicole managed to 'lick the plate of life clean'.

Cancer reminds us how awfully unfair life can be, but the way that Nicole lived her final years—devoted to friends and family, engaged with her community and telling jokes until the end—has a lesson for all of us. Rest in peace, Nicole Osuch-Helsham.

Mitchell Electorate: Hills Relay for Life 2012

Mr HAWKE (Mitchell) (10:38): It is a privilege to follow the member for Fraser and his fine speech about Nicole by commending my own community for their efforts in raising money for cancer through the Hills Relay for Life in another successful year. For five years I have been a supporter and participant with my own team in the Hills Relay for Life, but this year was a particularly special effort from the Mitchell community. It was a fantastic day and night filled with raffles, cakes, hot chocolates, fantastic entertainment and a moving candlelight ceremony, but I was in awe of this year's contribution of members and of money raised by our community in support of this worthy cause. As everyone is well aware, cancer does not discriminate, which is why community events such as the Hills Relay for Life are so important. At the opening ceremony I was moved while listening to the different speakers' personal stories—including those of our mayor and Dr Anita Tang—of how their lives had been affected by cancer, which inspired all of those listening, including me, to carry on in our fight to cure this hideous disease.

While it was great to see so many teams participating, including my own team of about 20—I congratulate all of them and the people who sponsored us—I want to make special mention of Team Bunny, who always put in so much special effort with their famous pumpkin soup and cake stalls. I would also like to mention International Productions, which not only is a sponsor of Hills Relay for Life but had movies playing throughout the afternoon...
and the night. Denise Daynes, who is part of International Productions, is also a committee member and works tirelessly obtaining sponsorship each year. Another special mention is for our great community facility the Castle Hill RSL, who donated a $10,000 cheque on the day. The RSL’s continual support of our local community is widely appreciated.

I am proud to announce today that the Hills Relay for Life this year capped over $2 million of total donations over the last 10 years. This money, of course, will go towards much-needed medical research in finding a cure to this insidious disease. The following researchers have benefited from the generosity of the Hills community and I want to make special mention of them: Professor Judy Kirk at Westmead, researching cancer links in families; cancer researcher Megan Chircop of Kellyville Ridge; the Millennium Institute; and many other great researchers.

A successful relay like the Hills relay does not come together overnight. It takes months and months of planning, and I would like to recognise the committee: chairwoman Bev Jordan, Cathy Aird, Bev Barnfather, James Butler, Michelle Byrne, Julian Carpenter, Sylvia Chan, Marilyn Coventry, Denise Daynes, Ruth Didsbury, Katie Didsbury, Peter Gangemi, Robin George, Alison Harper, Tony Hay, Brian Miles, Bryan Mullan, Monique Murray, Sara More, Angela Pike, Lynne Pike, Linda Pine, Christine Zec and our liaison officers Petra Williams and Samantha Conner.

That great long list of names shows how well our community does support such an important event, and the generosity of the Hills community should not be forgotten. So many companies and businesses donate their time, effort and facilities so the relay can be a great success. We have so many stories of people who have lost their lives, and it is wonderful to see that we are making great gains in medical research with the support of so many communities, through Relay for Life.

**Oxley Electorate: Brisbane 2 Ipswich Challenge**

Mr RIPOLL (Oxley—Parliamentary Secretary to the Treasurer) (10:41): It is with great pleasure I thank a whole range of people that helped with the Brisbane 2 Ipswich Challenge yesterday, Sunday 27 May. It is a ride I initiated and this was our 11th year. All of my office put in an extreme amount of hard work to make it happen. I want to thank all my office, particularly Lisa, Lucy and Margy, Pam, Chris, Amy, all the volunteers and all the fantastic people that made it happen.

We had over 650 riders register. The money raised goes to the Ipswich Hospital Foundation and also to the Heart Foundation. It is a great way of bringing the community together and something I enjoy doing very much. For me, it not only combines a sport and a passion that I love, in bike riding, but it also brings the community together and helps a whole range of people. It is not about how fast you can ride; it is always about families and about getting people who may not have ridden in 20 or 30 years back to doing something active, something good for themselves and something good for the people around them as well.

You could not do an event like this, as everybody knows, unless you had some great sponsors, some people who were prepared to help you out. This year's major sponsor, Sekisui House, which is doing a wonderful development in the Ripley Valley, has been so supportive and made a big difference in making sure the event was a success. I also thank Komatsu, which opened a new plant in my electorate employing 350 people. They were great sponsors.
They wanted very little out of this event; they just wanted to be part of it. I found that so refreshing. When I asked them what they wanted, they said they just wanted to be part of something good in the community. They thought it matched up with their ideals as well.

There were some long-term supporters such as Springfield Land Corporation. We always ride through Springfield, and this year was the first time we stopped at the new Robelle Domain, which is one of South-East Queensland's best parks. I invite everyone to come and have a look at it; it is just amazing. Also thanks to Toscani's; Walkers; Alphapharm; Bruce at LC Energy and all his guys; Steve Williams at Wingate Properties; Ipswich City Council; and Brisbane City Council. We could not do without them either. They are great sponsors.

Thanks to the Lions Club at Richlands, which is almost halfway. The Lions are good guys and are also involved with GreenEDGE cycling. They really understand what cycling can do for communities and what cycling events can bring to a community. Also a big thanks to the Westpac guys for doing the barbecue—you did a fantastic job; SAS supplements and sportswear; and Aussie Farmers Direct. Bring back the milko! Aussie Farmers is a local guy who decided it was better value to bring people their milk, their bread and their eggs, and now he brings fruit, veg and meat as well. The guy is wonderful. He has been a great sponsor and has great produce too. Coca-Cola were fantastic, as were Capilano honey. (Time expired)

Live Animal Exports

Mr WILKIE (Denison) (10:44): This week marks the first anniversary of the extraordinary Four Corners program about the cruelty being meted out routinely to Australian cattle exported to Indonesian slaughterhouses. The footage shown that night was nothing short of shocking, and the final images of the beast who had been made to stand and watch one after another of his lot being slaughtered remain seared in my mind. Animal rights activists have given him the name Tommy, but to me he will forever be that beautiful black animal shaking in fear, his eyes bulging in abject terror at what he had witnessed and what he knew would become of him—and know he did, because cattle are more than smart enough to be able to empathise with their kind. Tommy understood exactly what was going on that day.

The government was slow to act one year ago but, as we know, eventually it did, although regrettably in ways much more in accordance with the needs of the live animal export industry than with the needs of the hundreds of thousands of cattle, sheep and goats shipped from our shores every year. Surely it was not too much to expect the government to react in an ethical and, I would add, democratic way considering the clear desire of so many Australians for a genuine clampdown on the cowboys running Australia's systemically cruel live export industry. Yes, the government did try to ensure that exports will now comply with OIE standards, but this is nowhere near what is needed to ensure that Australian exports are treated humanely, and in any case it is unenforceable due to the absence of any sort of reliable supervisory regime. Hence it surprised no-one when this year two Indonesian slaughterhouses processing Australian beasts were shown on television to be still treating our cattle horrendously. Enough is enough. The government must stop caring more about the profitability of primary producers than the welfare of animals. Even if that is all it does care about, surely it can understand that Indonesia is working towards red meat self-sufficiency and it is in Australia's economic self-interest to wind back the industry which has cannibalised our own chilled and frozen meat operations.

FEDERATION CHAMBER
Of course, cattle exports to Indonesia are just the tip of the iceberg, because there is also, for example, the export of sheep to the Middle East on towering ships where the animals are stuffed on board in appalling and stifling conditions. All this must stop, and one day it will; it must. Shame on this government and this parliament for denying the pressing need to do something about it.

**Corio Electorate: Mineral Springs**

Mr MARLES (Corio—Parliamentary Secretary for Pacific Island Affairs and Parliamentary Secretary for Foreign Affairs) (10:47): Recently I met the Drysdale and Clifton Springs Community Association. They spoke to me about the old mineral springs site from which Clifton Springs gets its name. This site represents a fascinating glimpse of a largely forgotten chapter in the history of the Bellarine Peninsula. The mineral springs sit within an area known as the Dell, at the base of the cliffs overlooking Corio Bay. A series of springs stretch along the coastline but, while they still flow with water, the water is no longer safe to drink.

But that was not always the case. More than a century ago the mineral water produced by these springs was a major drawcard, attracting visitors from across the bay and indeed the region, eager to sample the health-giving properties of the mineralised water. By the late 1870s a thriving industry was established, with a bottling plant selling water of exceptional quality and a spa bath facility for visitors to bathe in heated mineral water. There are photos from the early part of last century that show the ornate but sturdy bathhouses, a kiosk, a series of wells and a pump house dotted along the foreshore. Further up the cliff, a grand 30-room hotel was on the site of what is now the Clifton Springs Golf Club.

It is hard to believe this was all there until the first half of the 20th century. These days there is little to suggest that any substantial structures existed along the coast. There are the remnants of one of the brick wells and a cellar, but nothing much else. The original hotel was destroyed by fire in the early 1920s. The rest of the springs complex has been literally washed away by the sea. Coastal erosion has eaten up to 20 metres of foreshore in the past 50 years, erasing the beachfront and contaminating the springs. An archaeological investigation was conducted in 2008, and this sets out in fantastic detail the rise and the decline of the mineral springs business.

I would like to congratulate the Drysdale and Clifton Springs Community Association for its work in campaigning for the preservation of the heritage of the site. It is no small thing to refuse to accept as inevitable the damage caused by coastal erosion. The City of Greater Geelong must be congratulated too. It commissioned an investigation into what can be done, especially in the short term, to protect the Dell beach area. The results of that report are expected within the next few weeks, and I hope that council can allocate funds within the next 12 months so that works can start on the preservation of the site. The aim is to stem the tide of erosion and preserve what is left of the built heritage along the beach. I believe a welcome inclusion would be the construction of a replica well to give us all a better view into the past and encourage once again visitors to the mineral springs site.

**Coolangatta Surf Life Saving Club**

Mrs ANDREWS (McPherson) (10:49): On Saturday I attended the annual awards night for the Coolangatta Surf Life Saving Club and I would like to congratulate the club award
recipients. They are: Jim Purdon, president of the club and best club member; Ryan Rigney, overall club champ; Billy Ryan, best masters competitor; Stuart Hogben, masters champ and best competitor; Carly Flood, open senior female and outstanding patrol attendance; Susie Harker, female masters champ and 100 per cent patrol attendance; Ty Henrisson-Lopez, male cadet champ, best cadet member, YIPS silver and 100 per cent patrol attendance; Kate Marshall, best cadet member and 100 per cent patrol attendance.

They include: Dylan Swaney, male under 17 camp, coach's award and 100 per cent patrol attendance; Nic Bell, male under 19 champ; Michelle Linsdell, female under 19 champ, president's award, YIPS silver and 100 per cent patrol attendance; Phil Hammond, best patrol captain, Surf Life Saving Australia award for being patrol captain for five years and for outstanding patrol attendance; Nolan McGuire, IRB award, appreciation award and outstanding patrol attendance; Graham Matthews, best new member; Rick Van Kampen, club captain's award and the George Best senior trophy; Fiona Jones, best committee member; Stuart Marshall, best senior member and outstanding patrol attendance; Zac Wyper, best junior member, YIPS bronze and outstanding patrol attendance; Phil Wyper, Robert Gattenby memorial shield; Andrew Putland and Mitchell Phillips, champion rowers.

The best competitive team consisted of Billy Ryan, Russell Zahn and Rick Van Kampen. Celestine Nicholson, Ysabel Wilson and Nikaila Hartley received their YIPS bronze awards. Patrol Group 12, the best patrol group, were Steve Mason, Garry Doyle senior, Garry Doyle junior, Michael Bugden, Michelle Linsdell, Fiona Jones, Susie Harker, Caroline Bellenger and Marty Naughton. Awards for those with 100 per cent patrol attendance were awarded to Brian Smith, Allyson Marshall and Darren Swaney. Outstanding patrol attendance awards went to Chaylea Walsh, Adam Mazzarella, Robbie Swaney, Vincent Loubet, Paul Teitzel, Tyler Swaney, Ryan Vaughan and Ellen Flood. Appreciation awards went to Greg Piper, Brett Dorrington and Danny Hoyland. Surf Life Saving Australia patrol captain five years awards went to Damian Ling, Dion Ezzy and Belinda Doman. Surf Life Saving Australia patrol captain three years award went to Garry Bell.

I want to acknowledge all people on the night who were involved in the outstanding rescue of a man found unconscious on a groyne and given life-saving resuscitation and the mass rescue of six tourists. All of them survived. I congratulate the members of the Coolangatta Surf Life Saving Club. Coolangatta is a fantastic club and the passion on the night was palpable.

Volunteers Week

Ms KING (Ballarat—Parliamentary Secretary for Infrastructure and Transport and Parliamentary Secretary for Health and Ageing) (10:52): Today I would like to talk about the importance of volunteers in local communities. Volunteers Week was a perfect opportunity to celebrate all that is good about our community but particularly to acknowledge the wonderful contribution of volunteers. I want to pay tribute to United Way in Ballarat for its awards night that I attended last week.

If you ask the average Australian what they see as uniquely Australian characteristics, many would argue that it is the commitment to egalitarianism and friendship that really sets us apart. We see ourselves as strong and self-reliant but quick to offer a helping hand to those in need. From the very beginnings of the social experiment that was early Australia, our country has been founded on the notions of social inclusion and equality of opportunity for
Volunteering is intrinsic to a socially inclusive society. Volunteering connects us, strengthens our sense of belonging and creates positive relationships that build stronger local communities—from baking a cake for the school fete to providing companionship to the elderly, from planting trees to running the local footy club and from welcoming new arrivals to our country to being part of vital community services, such as the SES and CFA. It is clear how much our local community relies on its volunteers.

I am never surprised but constantly grateful when I see the extent of volunteering in our regional community. For instance, imagine how recent events such as the Ballarat Heritage Weekend, Clunes Booktown Festival, the Daylesford ChillOut Festival, the Ballan Autumn Festival or the Bullarto Tractor Pull would have been without committed volunteers. It is reasonable to assume that they would not exist at all.

The Clunes Booktown Festival, for example, which I attended in May, was the sixth that the Clunes Booktown has run and it is getting bigger each year. In fact, it has been recognised as the first international booktown in Australia. It saw over 60 book traders and, I am told, over 15,000 attendees—a good boost for local traders, and all of it run by volunteers.

The Ballan Autumn Festival was a terrific success. The judging of the local parade is something I enjoy every year, and there was great effort put in. Ballarat is very well known for its historic buildings. We had 10,000 people attend Ballarat Heritage Weekend. Again, without the efforts of volunteers, that weekend would not have been so successful. The Daylesford ChillOut festival, which is a terrific event for Daylesford, has been running since 1997. Again, it is run by a volunteer committee. It brings hundreds of thousands of people into the town of Daylesford, who spend money in the town and book out all of the bed and breakfasts over that weekend. It is an enormous boost for the economy, and it is all run on the back of volunteers. The Bullarto Tractor Pull is another example of the work of volunteers. It was a huge success, and the sheep shearing and vintage machinery were well and truly enjoyed by all.

These events are successful because of the enormous contribution of our volunteers. Nobody volunteers with the aim of seeking recognition but I want to recognise here today the volunteers in my community.

Wright Electorate: Rathdowney State School and Boonah Show

Mr BUCHHOLZ (Wright) (10:55): I rise to inform the chamber of some wonderful communities that are getting on with the job in my electorate. I have an electorate of just on 8,000 square kilometres, ranging from Robina on the Gold Coast, where the electorate borders, through to the top of the Toowoomba Range.

I would like to take you on a little visual journey. The community I want to take you to is a little place called Rathdowney. It is about 13 kilometres off the New South Wales border as you come into Queensland on the Mount Lindesay Highway. Recently, the Rathdowney State School celebrated its centenary, and I was fortunate enough to be there. I would like to acknowledge the fantastic work undertaken by Principal van Bennekom; she did a fantastic job. The proceedings were hosted by Dave Coburn. In attendance were the state member, Jon
Krause, as well as Councillor Virginia West and newly elected Councillor Rick Stanfield from the Scenic Rim Regional Council. It was also well attended by P&C members. Past pupils came from as far away as Canberra for the centenary celebrations, and past teachers from as far away as Tasmania made the trip back to be at the school on the day.

Rathdowney is a small community, with only a couple of hundred people, so an event like this is important to the community. Rathdowney has a little pub, a little post office, a newsagency and shop, a butcher, a police station and a garage. In the middle of the community is the showground, and up the road a little bit is the school. They also have a fire station and a dance hall—a typical community dance hall where people engage with each other.

About 30 kilometres up the road is a place called Boonah. After finishing at the Rathdowney school centenary I went over to open the Boonah Show. The show societies throughout all of my electorate and communities play such an important role, not only from a community perspective but in engaging with business and the public sector. I would like to acknowledge the fantastic work undertaken by Jim Harvey, the president of the Boonah Show Society, along with his vice-presidents, Ray Maguire and Anthony Niebling, and treasurer, David Woolgar. The secretary there is Beth Hern, and Beth has two offsiders in Barbara McGovern and Gayle Van Der Veen.

One of the interesting things about the Boonah Show Society is that they have a really aggressive junior society coming on. In most of the other parts of the electorate the show societies are made up of retired, older people. I have kids between 18 and 25 that are really active in the junior show society and I would like to acknowledge them as well. Samantha Conochie is the president and Kodey Stoken and William Schultz are the vice-presidents. The secretaries are Tennile Schonknecht and Ricky Wilson, who is a boy. Congratulations to those young guys: keep it up.

**Shortland Electorate: Seniors Forum**

Ms HALL (Shortland—Government Whip) (10:58): On Friday I held my annual seniors forum, a seniors information day, at the Halekulani Bowling Club in the Central Coast part of my electorate. Firstly, I would like to thank Halekulani Bowling Club for making their facilities available to me and the over 100 seniors that attended on the day. I would also like to thank the club for the technical support they provided.

We had an excellent day. It commenced with the wonderful Russell Bridge arranging for the seniors to undertake some exercises. He is over 70 years of age and I think that he would leave most people for dead when it comes to fitness levels. We even had people who were wheelchair-bound sitting on their chairs undertaking exercises. It was really fantastic to see and a good way to start the day.

That was followed up by one of our local solicitors, Michelle Divine, who came along and addressed the forum. I would just like to put on the record here that John Lees, who has been the solicitor who has come and presented to the seniors forum since the inaugural meeting, passed away two weeks ago from a brain tumour. He was a fantastic person who really had a strong sense of community, and that is a sense of community that his practice is still continuing when they come along to the seniors forums.
Michelle from the solicitor's office was followed by The Aged-care Rights Service. They gave an excellent presentation, as they always do. We then had Centrelink come and talk to the forum and they were followed by the Heart Foundation, which talked about healthy lifestyle and the issues that relate to risk of cardiovascular disease and the steps that people can take to lower their risk. Once again it was an excellent session, and out of that we heard about a lot of initiatives that are happening in the community—some of the seniors were able to be linked to the healthy heart walking groups.

The day concluded with a presentation by the local police. That was an excellent presentation. As well as the police officer who addressed the forum we had a volunteer in policing; they were an excellent duo. I thank everybody who was involved with the day. I think that everybody who attended had a wonderful time.

**The DEPUTY SPEAKER (Hon. DGH Adams):** Order! In accordance with standing order 193 the time for constituency statements has concluded.

### PRIVATE MEMBERS' BUSINESS

**World No Tobacco Day**

Debate resumed on motion by Mr Georganas:

That this House:

1. joins the World Health Organization in promoting World No Tobacco Day on Thursday 31 May 2012;
2. notes that:
   - (a) the theme for this year's World No Tobacco Day is 'tobacco industry interference';
   - (b) the campaign will focus on the need to expose and counter the tobacco industry's brazen and increasingly aggressive attempts to undermine global tobacco control efforts; and
   - (c) tobacco use is one of the leading preventable causes of death worldwide killing nearly 6 million people each year, of which more than 600,000 are people exposed to second-hand smoke; and
3. acknowledges that:
   - (a) tobacco smoking remains the single largest preventable cause of premature death and disease in Australia;
   - (b) smoking accounts for approximately 15,500 deaths each year and losses to the Australian economy of $31.5 billion a year;
   - (c) even though smokers are much better informed today about the health effects of smoking, many continue to ignore the risks with around 2.8 million Australians still smoking daily; and
   - (d) one in two smokers will die as a result of smoking.

**Mr GEORGANAS (Hindmarsh) (11:02):** Thank you for assisting this morning, Mr Deputy Speaker, so that I can give this speech.

This motion is a very important motion. It is one that I am very proud of because it draws attention to World No Tobacco Day, which will be this Thursday 31 May. I feel very passionate about this particular motion that we are debating here today and also about World No Tobacco Day because I made a very important decision eight years ago on World No Tobacco Day, and that was to give up tobacco and cigarettes—which had plagued me for many, many years.
It is very important that we get this message out that other people can do exactly what I did eight years ago. With all the arguments against it, in the end it was quite easy and I have never felt better. I have been smoke-free ever since. That is not to say that I should not be absolutely vigilant about it, because we know that the addiction of tobacco is there with you forever and a day. It is one of the hardest things to kick and, as we all know, it is extremely addictive—far more addictive than any other drug known to mankind.

Like most smokers, I took up smoking when I was young—a teenager. It was those images that were portrayed at the cinema, which we would all go to; we saw the cowboys and the different movie actors on the big screen from Hollywood that promoted smoking as a healthy lifestyle. We all remember those images as being healthy and sociable. This encouraged young people like me back then to take up the habit, but also we did not have the education that is around today. We did not have the facts and figures. We know today that smoking kills. There is no doubt about it and there are no excuses. Back then we had no facts on hand about the health consequences of smoking. There were only rumours about the effects of smoking and what effects it had on our growth. We now all know that those dangers of smoking are true.

We all know the impact of smoking on Australia's health. We know that there are many deaths and heart attacks, and we heard the member for Shortland speak about strokes and heart attacks in her previous speech. We know about the heart attacks and strokes that are caused through smoking per year. Cigarettes are one of the most deadly drugs on the market. Smoking kills almost 20,000 Australians each year directly, let alone how many more thousands are killed indirectly through smoking. That is one in seven adult deaths, more than the combined death toll from road accidents, alcohol, illicit drugs, murders, HIV, diabetes, and breast and skin cancer. Even though these statistics are startling, they are often not enough to make a regular smoker quit. The addiction to nicotine is often so severe in a regular smoker that quitting seems an impossible task. Aside from the obvious effects of smoking, such as the normal things that come with it—bad breath, stained teeth and smelly hair and clothes—smoking also causes cancer, heart disease, stroke, emphysema, asthma and blindness. It is a shocking statistic that one in two smokers will die as a direct result of their habit of smoking. Tobacco smoking is the biggest single preventable cause of both cancer and heart disease, causing 21 per cent of all cancer deaths and 13 per cent of all new cancer cases.

Smoking is our No. 1 drug problem. It is responsible for 80 per cent of all drug related deaths and two-thirds of all drug related costs to the Australian community. There have been many, many attempts at curtailing advertising, and they have been fairly successful here in Australia—in fact, we are held up as a role model around the world. However, it has been shocking to hear about the market tactics that are being used by tobacco companies to still push their product. They market, as we know, directly to young adults because they know that people like me are giving up at a very fast rate, and to survive in countries like Australia their only new market is young adults. They are the ones that are more likely to become addicted and take up smoking for a period of years. Approximately eight out of 10 new smokers are children or adolescents, and 27 per cent of 15-year-olds smoke. Every day more than 500 schoolchildren smoke their first cigarette—still shocking figures here in Australia.

During the course of a recent committee inquiry into tobacco plain packaging, I was shocked to see some of the products that are available on the market which are quite clearly
designed to lure young people into smoking. In one case we were shown a beautiful slim metal case which slides open to reveal a row of pastel-coloured cigarettes, each tipped in gold. They look like works of art. The design and look of the product was like something you would see in a high-end cosmetics store. They looked innocent and inviting. They looked luxurious. They looked elegant. We were told that these products were pitched towards younger women and that they are highly effective because everything down to the slim metal case, designed to fit into the palm of a young woman's hand, subsequently conveys notions of slimmness, beauty, elegance and luxury. The tobacco companies know what they are doing. Millions of dollars of research have gone into these packets of cigarettes to lure younger women into smoking. It is frankly quite frightening to see what lengths tobacco companies will go to in exploiting the aspirations and fears of our community at a deep, deep psychological level to sell their deadly products. Another example was a larger, more sturdy case decked out in black and silver which was marketed towards young men keen to project a bit of a tough-guy image.

These examples were presented to us by the Cancer Council, which of course supports many people every year who are staring into a future of chemotherapy and invasive surgery that they will require due to their smoking habits. Of course, the Cancer Council also supports the friends and family members, including children, who are left behind when a loved one's life ends early and needlessly due to their addiction. More than anything else, these examples that the Cancer Council showed us just go to highlight the theme of this year's World No Tobacco Day, which is tobacco industry interference.

It is very apt that this theme comes as the government implements its tobacco plain packaging legislation, which will remove the very last bastion of marketing from these deadly products. Throughout the debate on plain packaging legislation, we have seen the tobacco industry pull out all the stops in an effort to avoid tobacco control measures which will save people's lives. This is incredibly disappointing, because throughout the course of the inquiry that I chaired—and I am pleased there are two members of that committee here in the chamber today, the member for Shortland and the member for Hasluck—we heard time and time again of the numerous peer reviewed research papers which showed that plain packaging would indeed cut smoking rates and save precious lives, including those of our friends, family members and colleagues that still have not given up tobacco.

For that reason, I am particularly proud to support this year's World No Tobacco Day because it also marks a great leap forward for Australia in our approach to health policy. The plain-packaging legislation has placed Australia squarely on the map as a leader in tobacco control. This is something that all of us should be very proud of. The legislation will help quash the ability of tobacco companies to manipulate us into thinking that smoking will help make us the person we want to be. It will hand power and choice back to individuals to consider whether smoking really is in their best interests. We know that once people have the facts, the psychological compulsion will disappear; they know that smoking is not the way to go.

I am very pleased to move this motion. If just one person quits smoking as a result of the attention we have drawn to this issue, I will be extremely proud. I urge my colleagues to tell their neighbours, tell their constituents, tell their friends and tell their families that quitting is possible and it might just save their lives. My love for my family was the reason that I gave
up smoking. I want to see my children's children grow up. I want to see grandchildren and I want to enjoy the future with my family. All of these thoughts were paramount when I gave up.

I am very proud to say that two members of my electorate office have also given up smoking, Nigel and Arrietty. They are both in their 40s and have smoked all their adult lives. I do not know if it was the constant nagging by me or the advice that I gave them, but I finally convinced them and they have both been doing very well for a number of months—Nigel for six or seven months and Arrietty for the last three months. I will do all that I can as an employer to support them and ensure that they stay off the dreaded tobacco.

Tobacco is one of the most powerful drugs on earth. It is unlike other drugs as you want to smoke at every moment of the day. If I have one message for anyone who does smoke, it would be to give up on this Thursday, World No Tobacco Day.

Mr Wyatt (Hasluck) (11:12): I rise to support the motion by the member for Hindmarsh and I concur with his sentiments. I too am fortunate to have four staff who are smoke-free. One quit recently, and all of them make a great contribution to the health of our young people.

I want to compliment the Department of Health and Ageing because they have developed a number of initiatives to encourage Australians to quit smoking. I commend the department and its staff for the work they are doing in conjunction with state and territory governments as well as with non-government organisations. I suspect if we took a reality check across the globe, there would be many parts of the world where this message would not be received or known, but in Australia we have the opportunity to promote it. We all know the adverse impacts of tobacco smoking on an individual. They are published and well known and yet, even with those adverse outcomes, we still have individuals who continue to smoke. We will continue our focus on good health and the fact that you need to be there for your family.

One of the sad things when walking past hospitals is to see people outside with drips in their arms having a couple of cigarettes before they race back into the hospital. They are in a centre that is treating them for health problems, but they are equally contributing to their health problems. It is well known that smoking raises the risk of cardiovascular disease, respiratory disease, cancer of the respiratory, digestive and reproductive organs, and premature births. It still remains one of the leading cause of preventable disease and premature mortality amongst Australians. Smoking is responsible for over seven per cent of the total burden of disease in our country. In 2003, tobacco use caused more than 15,000 deaths—that is, 15,000 deaths that did not need to occur, with 15,000 families affected by the death of someone they loved and were close to. The total quantifiable costs of smoking to the economy, including the costs associated with the loss of life, were estimated to be greater than $31 billion in 2004-05. That is why I complimented the Department of Health and Ageing at the beginning, because their work is absolutely critical to getting that message out there. Again I thank the member for Hindmarsh for giving us the opportunity to speak in this chamber on this important issue.

I found the following statement, obtained from Welcome to World No Tobacco Day 2012, interesting, and I will read it as it appeared on the site:

The brain needs up to 72 hours to rid itself of all nicotine, to resensitize once saturated receptors, and to move beyond peak withdrawal. It also needs time to down-regulate and rid itself of the millions of extra
nicotinic receptors nicotine caused it to grow … The subconscious mind needs time to encounter, break and extinguish all the nicotine feeding cues it established. The conscious thinking mind (the prefrontal cortex) needs time to sort through and discard the long list of lies it invented to explain why that next cigarette was so important, to try and make sense of the deep inner "wanting" it didn't understand … Nicotine addiction is a brain "wanting" disease that can be fully arrested but not cured. As permanent as alcoholism, it enslaves the same brain dopamine pathways as illegal drugs, including heroin and meth. That is a challenge in itself, and that is why nicotine in the quantity it is in in cigarettes induces an individual to want to continue to smoke, and the excuses are a justification to feed a nicotine habit.

I want to focus on the need to reduce smoking rates for Aboriginal and Torres Strait Islander people. Even though we have made progress, there are substantial issues still yet to be confronted. The third report against the Aboriginal and Torres Strait Islander Health Performance Framework stated:
The health of Aboriginal and Torres Strait Islander peoples is improving for a number of measures, although there remain many issues for which there have been no improvements. The report said:
Fifty-eight per cent of excess deaths are due to chronic diseases (i.e. circulatory disease as well as cancer, diabetes, respiratory disease and kidney disease).

Low birthweight … is twice as common for babies born to Aboriginal and Torres Strait Islander mothers than other Australian babies. The rate also appears to be increasing. There is a strong relationship between smoking during pregnancy and low birthweight.

In 2008, 47% of Aboriginal and Torres Strait Islander Australians aged 15 years and over smoked. This was a small but potentially important improvement from 2002, when the rate was estimated to be 51%. So, whilst we are making gains within broader Australian society, we have a segment of our society in which the smoking rates are still problematic. On a day like today, it is highly likely that 47 per cent will still continue their smoking habits until the programs that have been designed and put in place have an effect that is starting to show.

Around half of Indigenous Australian women smoke during pregnancy, three times the rate of other pregnant women. An estimated 65 per cent of Aboriginal and Torres Strait Islander children aged from zero to 14 live in households with a current daily smoker, compared with 32 per cent of non-Indigenous children. So reducing Indigenous smoking continues to be a priority for Australia and is now being addressed through the Indigenous Tobacco Control Initiative and the National Partnership Agreement on Closing the Gap in Indigenous Health Outcomes.

Why am I focusing on Indigenous Australians? For two reasons. One is the number across this country, and certainly within my electorate, who smoke. I have some 4,000 to 5,000 Indigenous Australians in my electorate, and if I take that percentage then that impacts on constituents within my electorate. Having had the experience of working, with the two members who are in this chamber, on the Standing Committee on Health and Ageing, I can say it is of concern to us, and it is of concern to me.

The importance of the issue is reflected in three key measures of the Aboriginal and Torres Strait Islander Health Performance Framework that are directed to the extent of smoking rates
in Indigenous communities. The three measures were designed to look at why the measure was important, what the findings were and what the policy implications are if we do nothing. One of the first ones was 2.18, which was tobacco use. Why was it important? It was important because environmental tobacco smoke has adverse health effects for others who are in close proximity to the smoker, including asthma in children, lower respiratory tract infections, lung cancer and coronary heart disease. That is from the Australian Institute of Health and Welfare's report in 2002. Given the adverse impact on health in Indigenous society, adding that other layer of smoking adds another dimension that runs across all key strands that are life-shortening factors for a society of people who have rates that are not conducive to a healthy future. We can go through a range of figures that demonstrate the extent of smoking in every category and every age range, but I hope that a day like today, World No Tobacco Day, highlights and accentuates an awareness—which has to be brought to the fore—of the challenges that people face when they continue to smoke. Certainly we understand the addictions that nicotine causes. The measures that this parliament has taken in respect of plain packaging of cigarettes are a critical step in making an unhealthy habit unattractive.

I would hope that in 10 years time, when we celebrate a day like today again, we see a further reduction not only in Australian society and in Aboriginal and Torres Strait Islander society but also in all those groups that are in circumstances where smoking becomes an aid to relief or an aid to a problem. An area that we have not really explored that we have to continue to do some work around is within the prisons. Again, the high smoking rates within the prisons around this country are not conducive to the health of those who are incarcerated. Within the Aboriginal and Torres Strait Islander community, with the high incarceration rates, you are certainly exposing those who are incarcerated to greater use of cigarettes, smoking and tobacco products.

I would hope that your motion, Member for Hindmarsh—Mr Deputy Speaker Georganas—will certainly heighten people's awareness today. I support the importance of World No Tobacco Day because it is probably one of the key steps to bringing about an awareness of the need to reduce the prevalence rates of smoking within any society.

Ms HALL (Shortland—Government Whip) (11:22): Mr Deputy Speaker Georganas, I would like to start my contribution to this debate by associating myself with both you and the previous speaker and commending you for your fine contributions. World No Tobacco Day has a theme this year, and it is 'no tobacco interference'. I think that that is a very appropriate theme to have.

In speaking to this motion, firstly I would just like to put on the record the damage that tobacco smoking causes. It causes cardiovascular disease and cancer, including lung cancer. Smoking is the leading cause of cancer in Australia and accounts for approximately 20 to 30 per cent of all cancers, and that can be both active and passive smoking. Lung cancer is a leading cause of death amongst Australians. Smoking is responsible for 84 per cent of lung cancers in men and 77 per cent in women. The longer a person smokes, the greater their chance of developing cancer. Stopping smoking can greatly reduced smoking-related cancers. Anyone coughing blood or displaying any of the other symptoms should immediately see their doctor, of course.
The benefits of quitting are that in eight hours blood levels of carbon monoxide have dropped dramatically; in five days most nicotine is out of your body; in one week your senses of taste and smell improve; in one month better blood flow is improving your skin; in 12 weeks your lungs regain the ability to clean themselves; in three months your lung function has increased by 30 per cent; in nine months your risk of pregnancy complication is the same as for a nonsmoker; in a year your risk of heart attack has halved; your risk of stroke has dramatically decreased in five years; and you can save $4,000 a year to spend on other things. So there is a great benefit from stopping smoking. It is also important to note hospital admissions. In 2003 there were 15,511 smoking related deaths in Australia—I am sure there are later figures than that, but these are the ones I am working on—and 78 per cent of the total burden of disease and injury in Australia was caused by smoking. Tobacco caused 14.8 per cent of Australian deaths amongst men and 8.4 per cent amongst women, and there were 5,081 smoking deaths attributed to smoking in New South Wales alone. In New South Wales there were 42,356 smoking related hospital admissions.

I would now like to share with the House the fact that the Australian government has been honoured for global leadership in tobacco control. The Australian government has been presented with a global leadership award by three of Australia's leading public health organisations for outstanding national and international action and leadership in tobacco control. This was presented by the AMA, the Australian Council on Smoking and Health, and Action on Smoking and Health Australia. The Minister for Health and Ageing accepted the award.

The award has been given for being a leader in international action on tobacco over the past year in the ongoing battle to stop people smoking and, by smoking, destroying their health. That included recognition for the plain paper packaging legislation, which has been very supported by these organisations. The government has continued to pursue that, despite massive and desperate opposition from global tobacco companies. Therefore, we go back to that theme for World No Tobacco Day: no tobacco industry interference. The government has banned electronic and internet advertising for tobacco and committed $100 million over four years to tackle Indigenous smoking and recently decided to reduce significantly duty-free sales of tobacco. These are all initiatives that will lead to people quitting smoking.

Mr Deputy Speaker, I, like you, was a smoker. I have not smoked for 30 years and I am really proud of that. I started smoking as a young teenager; I thought it was cool. I think that everything that we can do as a government to stop young teenagers from smoking should be done. I congratulate you on bringing this motion to the House, Mr Deputy Speaker. I think it is a very good motion and I am sure that all the members will support it. (Time expired)

Mr ALEXANDER (Bennelong) (11:27): I, too, am pleased to join you, Mr Deputy Speaker and member for Hindmarsh, in speaking about this motion and the World No Tobacco Day on 31 May.

It is extraordinary to see the changes of attitude over the past 30, 40 or 50 years with regard to cigarette smoking. At my doctor's surgery there is actually an ad that is still there on the wall recommending a certain brand of cigarette, saying that more doctors smoke this cigarette brand and support it because of its great health benefits in aiding relaxation. Cigarettes were a form of payment for our armed forces. They were given to soldiers and seen as a luxury—something that you could have when going into battle.
In her book talking about her life with Lew, who was one of our great tennis players, Jennie Hoed talked about her great contribution to helping him learn to relax by teaching him the art of smoking. Poncho Gonzales was also a smoker; and possibly one of the greatest players of all time, Bill Tilden, was a smoker. None of those people lived beyond 61 years of age. Hollywood was also engaged in the subliminal message that it was cool to smoke. The greatest actors and singers smoked. Frank Sinatra, even after he had stopped smoking, continued to have a cigarette when doing his rendition of One for My Baby—again, that message came through. It continues today with Hollywood.

I will talk a little bit about the level of addiction. We all have personal stories. We all know, if we have smoked, how difficult it is to stop. I had a great friend in Atlanta, Georgia. He had grown up on a farm in Kansas. As a very young boy, if you were working like a man, you could smoke like a man, so he started smoking at the age of about 12. When he was in his 50s he was diagnosed with lung cancer. He had part of a lung removed. When he was going through his recovery period, this tough Southern man, he said, 'John, this is a son of a—I ain't never gonna have a cigarette again.' He recovered.

I went away, as I did, travelling. I came back a couple of weeks later. His wife was terribly distressed because, in the middle of the night, she would look into the backyard and see that her husband was sneaking cigarettes. Even more distressingly, a couple of months later, Mary-Sue, who had stopped smoking some 20 years previously, commenced this awful habit again. Last time I played golf with Gene, he had a Red Cross flag on his golf buggy. He was suffering from emphysema. He was still smoking. We will play golf no more.

We know now the damage that cigarette smoking does health-wise. We know that it costs a great deal in social costs—$31.5 billion in 2004-05. It is the single most preventable cause of disease. It is interesting that something like 7.8 per cent of our health costs are attributable to smoking and that 14.8 per cent of deaths in men and 8.4 per cent of deaths in women can be attributed to smoking. One in two people who smoke will die of smoking. Therefore, by extension, if you can talk two people into not smoking you have saved one life.

Hollywood has also made its contribution to trying to prevent people from smoking. In the last days of his life, Yul Brynner, a well-known smoker, made an advertisement, a health warning, in which he simply said, 'Whatever you do, don't smoke.'

Ms SMYTH (La Trobe) (11:33): I am very pleased to participate in this debate. I commend, in his absence, the member for Hindmarsh on bringing this motion before the chamber today to commemorate the efforts that have gone into World No Tobacco Day since its establishment in 1987 by the World Health Organisation. We here are all very much aware of the negative consequences of tobacco smoking both for our own population and for populations around the world. But I think, given that this is a particular day that has been instigated by the WHO, it is important to reflect on some of its findings in relation to the prevalence of tobacco use around the globe.

I would like to refer to a study by the WHO that is part of a publication titled Systematic review of the link between tobacco and poverty. It caught my attention. Inherently one knows that tobacco use is very prevalent in some of the most impoverished countries around the world, but it is really worth reading parts of this report to get an accurate reflection of just how significant it is for population health in countries which are already suffering significant public health concerns.
The report finds that 82 per cent of the world's smokers live in low- and middle-income level countries. That is quite an extraordinary figure. But it is all the more troubling when one looks at a couple of the countries that the report considers—for instance, Bangladesh and Vietnam. It finds that in Bangladesh the poorest households, with household income of less than $24 a month, were twice as likely to smoke as the wealthiest households. The report finds:

Average male cigarette smokers spent more than twice as much on cigarettes as per capita expenditure on clothing, housing, health and education combined. A typical poor smoker could easily add over 500 calories to the diet of one or two children using his or her daily tobacco expenditure, and therefore the lives of 350 children could be saved daily.

That is an extraordinary finding from the WHO. It is timely to remember those kinds of statistics in this debate before the House today about World No Tobacco Day.

The other country that the WHO made mention of in the report that I have discussed was Vietnam, where the report found:

Low income level households' tobacco spending was equal to 1.5 times their educational spending and was similar to health care spending.

Once again, these are extraordinary figures worth considering in the context of the efforts being made by this parliament and state and territory parliaments right around the country to combat the effects of tobacco smoking and to combat tobacco smoking being taken up, particularly by some of our youngest members of society.

We know for instance that in Australia the Cancer Council has estimated that smoking claims the lives of around 15,500 Australians each year and costs our economy around $31½ billion. I have often reflected on that in the context of my own electorate of La Trobe and the number of people who are represented within it. I estimate that it would equate to about 16 per cent of the electors in my seat being affected by tobacco if it were confined to the electorate of La Trobe. That is an extraordinary number of people—people with families, people with dependants—whose lives are detrimentally affected by the use of tobacco right around our country.

It is important also to reflect in the debate on this motion about World No Tobacco Day on the very significant reforms that have been put in place by this government in conjunction with state and territory colleagues around the country. We know that the targets set under the COAG National Healthcare Agreement of reducing smoking rates by 10 per cent by 2018 and halving the Aboriginal and Torres Strait Islander smoking rate by that time require significant efforts by us all. It is for that reason that this government has introduced a requirement that cigarettes be sold in plain packaging and it is steadfast in pursuing that reform. It is restricting internet advertising of tobacco products and it has committed record funding to targeted antismoking campaigns aimed at cutting smoking in high-risk and disadvantaged groups.

We have the opportunity in this country to make significant inroads to reduce the number of people taking up smoking and the number of people currently smoking. It is important that we reflect on worldwide efforts through this resolution and by other means.

Mr McCORMACK (Riverina) (11:38): The effects of a lifetime of smoking have great significance to me. Whilst I have never so much as put a lit cigarette to my lips, my father, Lance, was a lifetime smoker and on the first day of spring in 2008 passed away from lung cancer. Just before he died he pleaded with my children to never, ever smoke. I sincerely hope
they heed his heartfelt and sage advice. It is a message they heard at primary school through
the excellent Life Education Australia Healthy Harold interactive and mobile campaign. It is a
message impressed upon them by my wife, Catherine, and I. But it was a message graphically
and sadly brought home to them with the death of their beloved grandfather.

Tobacco smoking is the largest preventable cause of disease and premature death in
Australia. About 15,500 Australians die from smoking related illnesses each year. Despite the
effective campaigns against smoking which highlight the cost to your health and the financial
burden and emotional strain on your family, there are still about 2.8 million Australians
smoking daily. That is more people than the population of Brisbane. A particular concern is
the almost 60,000 teenagers aged between 15 and 17 who are regular smokers. Even more
alarmingly, five per cent are 12- to 15-year-olds.

The coalition acted decisively to address the prevalence of smoking whilst in government.
Tony Abbott, whilst Minister for Health and Ageing, introduced the graphic
health warnings
on cigarette packs, in addition to other antismoking initiatives. The coalition continued to
support sensible measures which actively discouraged smoking and has recently supported
legislation to tighten electronic advertising restrictions and the government's plain-packaging
legislation.

The coalition government presided over the biggest ever fall in smoking rates, with the
prevalence of smoking falling, from 20 per cent to 16.6 per cent between 2001 and 2007, in
Australians aged over 14. They were amongst the lowest rates of smoking in the world. I note
and acknowledge that the government is also making every effort to reduce tobacco use.

This motion has, as it should, bipartisan support because the effects of smoking on people's
health and our nation's medical resources are severe. We believe that there should be a
national target to reduce the daily rate of smoking to less than 10 per cent.

The Technical and Further Education New South Wales Riverina Institute, in my electorate
of the Riverina, became a smoke-

-free workplace on 10 April this year. This means that there
is no smoking within the nominal boundary of any of the campuses. This was done to align
with community expectations in relation to smoking zones. I commend the institute for the
measure it has put in place to assist staff and students in accessing support with quitting if this
measure inspires them to do so.

I also commend the campaigns running on television and featured in print, which are
already addressing the issue of smoking in Australia. However, there needs to be a bigger
focus on education and engagement in the push to reduce the use of tobacco. We should be
educating people on the harmful effects of their decisions and the benefits to their lives if they
do quit, rather than just telling people what they should and should not be doing. I believe that
there needs to be a particular focus on young people. Young people today are switched on.
They know that smoking is not good for them. In fact, they know that smoking kills people. I
have two teenage sons. Most of the time they think they are invincible, but I also know they
do not see smoking as cool or as something they would choose to do. Yet, for some reason,
there are still so many young people choosing to light up. I think it is imperative that we get to
the bottom of why they still choose to do so.

The health benefits of quitting smoking are astounding and the human body has the ability
to repair itself from the day a person stops smoking. Within eight hours of quitting smoking,
the excess carbon monoxide in an individual's bloodstream is gone. Within five days the nicotine has left the body and, in three months, lung function begins to improve. Research also shows that, if a person quits smoking at age 50, they halve their risk of a smoking related death. If they quit at age 30, they almost completely avoid all excess risk of a smoking related death.

No matter how much education or support is made available, we must accept that some people will continue to smoke. Many smokers find it a way to engage socially and, for some, the thought of giving up is difficult, let alone the actual attempt to quit. It is important that we continue to have measures in place to support people if they do wish to quit.

World No Tobacco Day is marked around the world annually on 31 May. It is meant to encourage a 24-hour abstinence from all forms of tobacco consumption across the globe. The day is further intended to draw worldwide attention to the widespread prevalence of tobacco use and to negative health effects, which currently lead to 5.4 million deaths globally annually.

The member states of the World Health Organization created World No Tobacco Day in 1987. It is a good initiative and so is this private member's motion, moved by the member for Hindmarsh, and I commend him on it.

Mr LAURIE FERGUSON (Werriwa) (11:43): I associate myself with the mover of the World No Tobacco Day motion, the member for Hindmarsh, and also the comments of the previous speakers. I will try not to cover facets of the debate that have been covered earlier.

I turn firstly to the article in the Age on 24 May by Clancy Yeates. He notes that Australia's Future Fund's investments in the cigarette and tobacco fields increased by $78 million, or 50 per cent, to $225 million in recent times. I am disturbed that the manager, Mark Burgess, was unable to reveal on such an important issue whether it was as a result of share price rises or international purchase increases. It is also disturbing to note that $180 million goes into arms companies. The reason is that it is not illegal. I find it extremely unprincipled that our Future Fund would invest so heavily in the tobacco field.

Norway does not seem to have similar problems. It has an advisory committee on ethics for its petroleum fund. I have had the privilege of being there and speaking to officials of that fund. The Ministry of Finance promulgates ethical guidelines. On 19 January, 2010 it made the very crucial decision to disinvest in 17 tobacco companies. This disinvestment of US$2 billion was the largest disinvestment carried out by the petroleum fund. When we get up here and make speeches about the positions we take on these issues, perhaps we as a body and as a nation have to look at these investments by the Future Fund of our own nation.

The other aspect I want to turn to—and the member for La Trobe did go into this area—is the question of the developing world. We hear from these companies over decades how everything is useless; nothing will reduce the issue or improve the problem. It is quite interesting therefore that they divert so much activity to the developing world. We note that according to data only five per cent of the population of this earth, or some 154 million people, benefit from anti-smoking laws. Related to that is the World Health Organisation's observation:

It is projected that tobacco use will cause 8.4 million deaths by 2020, 70% of which will occur in developing countries. Of the 100 million projected tobacco-related deaths over the next 20 years, about half will be of people in the productive ages of 35-69.
What we see is a pattern where, if we restrict their ability to manipulate people, they move on to young children, as we have heard from earlier speakers. They turn their advertising to that market. If they cannot do it in the developed world, they go to markets where there is no policing or controls. I notice the *Guardian Weekly* of 13 March this year gave a distinct indication in one particular country of the pattern, and that is Indonesia. According to the National Commission for Children's Protection:

… nearly 2% of Indonesian children start smoking at the age of four. The World Health Organisation says the practice has risen 600% in the past 40 years in this nation of 240 million, where, despite increased taxes on tobacco, a standard pack of 20 costs only around—

$1.18—

with many street stalls selling single sticks for as little as—

11c.

It was also noted in that article by Kate Hodal in Jakarta that:

According to the WHO, smoking claims around 425,000 Indonesian lives a year and is responsible for nearly a quarter of all annual deaths.

An article in the same journal notes that this is an industry where:

Revenues from global tobacco sales are estimated to be close to $500bn … generating combined profits for the six largest firms of $35.1bn—more than $1,100 a second.

Much of this profit is ultimately channelled to pension and insurance investors in the UK—British American Tobacco and Imperial are two of the largest companies listed on the London stock market.

It is not only internationally that there is a targeting of particular markets and particular realities. The New South Wales Cancer Council stressed that in Australia smoking is a social justice issue: while 17 per cent is the usage rate of tobacco in the general population, for lone mothers the rate was 46 per cent; for Aboriginals 47 per cent; for the homeless 27 per cent; for those suffering from mental illnesses between 33 and 58 per cent, depending on their issues; and for vulnerable young people 63 per cent. They noted that the poorest smoking households in New South Wales spend 20 per cent of their income on tobacco. They also noted the wish of the people to avoid this. Seventy-five per cent of New South Wales prisoners wish to stop; 50 to 80 per cent, depending on their condition, of those who are in drug treatment facilities also wish to desist. They make the point that the stresses of these people's lifestyles, the lack of resources they have to combat it and the social networks they are part of which favour these kinds of products also— (Time expired)

Dr SOUTHCOTT (Boothby) (11:48): I rise to welcome World No Tobacco Day this coming Thursday and to reaffirm the coalition's commitment to reducing the incidence of smoking in Australia. For a long time it has been a bipartisan commitment to reducing the rates of smoking in Australia. The Preventative Health Taskforce believes that we can see a smoking rate in Australia below 10 per cent, and I believe that is a very worthy goal. Australia has one of the lowest rates of smoking in the OECD but, despite this, there is no cause for complacency. There is always much more that can be done. We know that there are still wide variations in the incidence of smoking in different groups within society. Smoking rates remain high in our Indigenous population. They remain high in lower socioeconomic groups, higher in the lower educated and higher in those who have a mental health problem. The government's own Preventative Health Taskforce mapped out an approach which focused
on looking at these groups which have much higher smoking rates. These are areas we need to focus on. Smoking remains the largest preventable cause of death and disease in Australia. The cost to the community of smoking was $31.5 billion in 2004-05 and is no doubt much higher today. The coalition has always had a strong track record when it comes to tobacco control and will continue to do so. The coalition presided over the biggest decline in smoking rates whilst in government. Under the coalition government the prevalence of smoking for Australians over the age of 14 declined from 21.8 per cent in 1998 to 16.6 per cent by 2007. Now, this is amongst the lowest rates of smoking in the world. Only the United States and Sweden have comparably lower smoking rates.

An important point I want to emphasise is that the decline in smoking rates in Australia, which was a fall of 40 per cent for men and 44 per cent for women between 1989 and 2007, was among the biggest rates in the OECD. The fall in smoking rates amongst women was the largest in the OECD. This is not all one-way traffic and there is not an inevitability to this. If you look at the same time period, in Europe we have seen increases in the female smoking rate in countries like France and Germany and massive increases of the order of 44 per cent in Greece. You only get results with concerted activity from local, state and federal governments.

As I said before, the Liberal Party has a proud history in the area of tobacco control. It was Robert Menzies who first introduced a voluntary tobacco advertising code for television in 1966. The Fraser government, in 1976, first implemented a ban on the advertising of tobacco products on TV and radio. Dr Michael Wooldridge, a previous health minister, in June 1997, announced what at the time was the biggest ever national advertising campaign against smoking with a federal government spend of $7 million over two years. It was the Howard government and Tony Abbott as health minister who introduced the graphic health warnings on tobacco products in 2006. It was the coalition that first proposed an increase in the tobacco excise in 2009, a measure that was later adopted by the government.

I again reiterate that for tobacco control to be successful it needs to be part of a comprehensive tobacco control strategy that draws on a wide range of measures. For example, advertising of any tobacco product is now completely banned. Most states now require all tobacco products to be covered at the point of sale, with the remaining states in the process of implementing this measure. I believe that the increased size of the graphic health warnings on tobacco packaging to be introduced in December this year will have a significant impact on reducing the rates of smoking in Australia as well as increasing the rotation and refreshing the messages. The coalition supported the plain packaging legislation through the House last year. There is no silver bullet when it comes to reducing the rates of smoking but we need to continue to look at new ways to ensure that we get our smoking rates in Australia below 10 per cent.

Mr NEUMANN (Blair) (11:53): Smoking is neither cool nor hip; smoking is neither attractive nor sexy. Smoking is costly to health and harmful to health. Karl Marx was wrong when he said that religion was the opiate of the masses. Tobacco is in fact the opiate of the masses, and lower socioeconomic areas of this country are areas that are so afflicted by high rates of smoking.

This federal Labor government are committed to reaching the COAG national healthcare agreement by reducing the smoking rate in this country to 10 per cent of the population by
2018 and by halving the Indigenous smoking rate. We have taken a lot of steps since we have been in power, including the 25 per cent excise increase, which we announced in April 2010. There has been a record amount of investment in antismoking social marketing campaigns using various forms of media and, of course, there was the legislation to restrict advertising of tobacco products on the internet. We also introduced plain packaging legislation which was passed. Plain packaging measures reduced the glamour and the sexiness of this product. It was not that long ago that we saw the likes of Bogie, Gable and others in black-and-white movies smoking and looking cool. That was all about the tobacco lobby using their efforts to glamorise smoking, and so plain packaging is an important measure that this government has undertaken.

The legislation, which was passed by the parliament unanimously after those opposite finally agreed to do so, said that this country really would send a message to the world that we are undertaking the toughest tobacco-advertising laws and the toughest laws in respect of this issue in the world. Australia is the first signatory and the first country in the world to commit itself to implementing the recommendations on plain packaging. It is a travesty and a tragedy that the tobacco companies, which have lobbied so hard for so long to keep people afflicted by this terrible scourge, have taken the case to the High Court. We are determined to defend our position. We believe it is good public policy and that there are good public health grounds for our legislation. We believe we are on firm constitutional and legal grounds accordingly.

Why is this so important? It is so important because about three million Australians are part of the 16.6 per cent of the population that smokes and, as other speakers have said, 15,500 Australians die of it every year. On average, people who smoke lose about 10 years of life expectancy compared to nonsmokers. And second-hand smoking is a serious health hazard. It contains more than 250 toxic substances, including 43 known carcinogens. The social costs to our country, including health costs of $31.5 billion, have increased since 1998-99. That represents 56.2 per cent of the costs of all drug abuse, including alcohol as a drug. So smoking is a problem.

Tobacco companies cannot be trusted with the facts. For years and years Philip Morris and other tobacco companies hid the harm of smoking. Only in 2010 did the British American Tobacco website belatedly acknowledge the worldwide health problems. But for year after year we saw pictures of tobacco executives denying this and engaging in faulty research, claiming hand on heart that there was no impact and no addictive nature to tobacco. We know this is a terrible thing. I am very pleased that the Labor Party, of which I am a proud member, have for years said that we will not take donations from tobacco companies. Those opposite should also adopt a similar process and a similarly principled position. The coalition parties have accepted a combined $3 million in donations from big tobacco and more than $1.7 million of those were accepted after 2004, when Labor stopped accepting these poisonous donations. They need to kick the habit.

It is important that they set an example and that we all set an example. It is estimated, for example, that the impact of this scourge is that the death toll from the global epidemic of tobacco use could rise to eight million by 2030. Having killed 100 million people during the 20th century, tobacco use could kill one billion during the 21st century. That is why we need to take steps. I commend the member for Hindmarsh for his motion and suggest that those opposite should adopt our policy of not accepting donations. (Time expired)
Mr SIMPKINS (Cowan) (11:58): It certainly was not my intention to approach this with any form of political advantage or spin, but given the comments of the member for Blair I would also remind the House that when we were being lectured to with great sanctimony by the previous Minister for Health and Ageing she did so knowing full well that she had accepted the hospitality of a tobacco company at the Australian Open tennis.

But I will go back to the areas of consistency. I would say that Australia has come a long way in the last 30 years with regard to reductions in the use of tobacco. There was a time when our TVs and radio stations were littered with the advertising of tobacco products. There was a time when even our sporting venues, as covered on TV, were also subject to the terrible influence of tobacco advertising. There has been a lot of progress in recent times. As has previously been mentioned, back in 1976 it was the Fraser government that implemented a ban on the advertising of tobacco products on TV and radio, and that was a step forward. There have been a number of other initiatives, which others have spoken about. One of the classic ones was in 2006, when the now Leader of the Opposition and former health minister, Tony Abbott, introduced the graphic health warnings on tobacco products. So there have been a lot of good things done. Again, we all applaud and look forward to the plain paper packaging of cigarettes being finally implemented, hopefully by the end of this year. I think that is something like the time frame that we are hoping for now. So there has been a lot done, and we certainly support that. It has always been done in a bipartisan manner. We all know that no good can come of this terrible use of tobacco.

I was walking around the Hillarys marina in the northern suburbs of Perth on a couple of occasions over the weekend, and I noted at the time that someone was smoking in front of me as we were walking along. This is an area where there are literally a couple of thousand people in the restaurants, on the little beach there or at the other entertainment facilities at Hillarys. The smell of the cigarette being smoked by that one person seemed so odd and so foreign to me, and I think that really does say something about the way this country has changed: smoking is not cool. Smoking is just a very marginalised activity these days with the majority of the country. As we know, with smoking rates down, I believe, under 17 per cent now, it seems quite a rare event.

What concerns me, though, is the way that the higher smoking rates in the lower socioeconomic strata of our society remain a problem—not as much of a problem as they used to be, but this is the big challenge that we obviously need to deal with now. The people that are least able to afford the high cost of cigarettes and the health costs of cigarettes are the ones that continue to smoke. When I am in the electorate of Cowan, out the front of the shopping centre where my office is located, there are very few people who smoke—a couple of people out the front at the most throughout the day—and that is a pretty good thing. But I do note that when I am over at the Summerfield Shopping Centre, not far from Girrawheen Senior High School, the number of young people that are smoking before school in the morning is quite disturbing: 10 to 15 is a fairly normal number over there. Again, this is an area of lower socioeconomic standing—an area where young people should be concentrating on better use of their money and better use of their long-term health than the smoking of cigarettes. So the reality is that, through efforts like World No Tobacco Day, we are continuing to focus—and we must continue to focus, particularly in this country—on the
challenges for people of lower socioeconomic standing and lower education, because these 
are the people that need to get these messages most of all.

Debate adjourned.

**Gambling**

Debate resumed on the motion by Mr Oakeshott:

That this House calls on the Council of Australian Governments to implement a National Partnership Agreement on gambling reform, that agrees to:

1. implement a:
   1. a national cap on electronic gaming machines; and
   2. a long term national reduction strategy on electronic gaming machines underneath a national cap;
2. refer the issue of revenue loss from a national reduction strategy to the State Tax Working Group, set up by the Tax Forum, so that any losses incurred are spread across State and Commonwealth revenues; and
3. include online gaming reform, sports betting reform and horse, harness and greyhound race coverage reform to address links between problem gambling and national health outcomes, as well as any links to the proceeds of crime, money laundering and community safety.

**Mr CHAMPION** (Wakefield) (12:03): Madam Deputy Speaker Rishworth, I know this is an issue that is close to your heart as well, and you have expressed your concerns on problem gambling many times before in the House. This is a very important motion, and I think it does add to the debate. The government has its own set of reforms and methods of tackling problem gambling, but I do think the member for Lyne should be commended for bringing this matter to the House and bringing it up for discussion. I think there are many interesting points in it, and I have to say that I personally have talked about such things, in my maiden speech and many other times after that, because I think the addiction to poker machines is a particularly virulent social evil in our community. It is often unseen and unrecognised. We need to tackle it. The national parliament needs to tackle it. We need to tackle it in the same way—as the previous speakers talked about—we tackle tobacco, which was a big donator and a very influential industry that threw its weight around in this building. We need to tackle problem gambling and the poker machine industry in the same way we tackled the tobacco industry, and that is by a series of bipartisan reforms over a decade or so to try and curb the virulent nature of the problems they cause.

The member for Lyne is to be congratulated. I think he, as always, has provided us with much to think about. The points on taxation are quite important. It is very hard for state governments. One of our former Liberal premiers in South Australia said that it was his greatest regret that he did not do anything about poker machines. Of course he could not. If he got rid of poker machines, which hospital was he going to close? For some state premiers, that is literally the revenue implication of poker machine reform. I think these are important issues for us to discuss and look at.

The government, through Prime Minister Gillard and Minister Macklin—who are very committed to this issue—put in place a number of reforms. All poker machines manufactured by the end of next year must be capable of supporting precommitment. All poker machines must be part of a state-linked voluntary precommitment system by 2016, excepting eligible smaller venues, which have more time. Poker machines must have electronic warnings and
must display cost of play by 2016. There will be a $250 daily withdrawal limit set at ATMs in gaming venues by 2013.

These are significant reforms and, if you had talked about them at the start of our reform, they would have been seen as being a very, very ambitious gambling package. Of course, now that the parliament is talking about these things, they do seem workmanlike and practical, whereas some of the solutions that are advocated by Senator Xenophon and Mr Wilkie are more ambitious. I have personally advocated more ambitious restraints in the poker machine industry generally.

I think the government have put forward a pretty significant package. We wait to see what the opposition intend to do about it. As usual they have been a bit slippery about their policy commitments. I suspect that, at the end of the day, they will back the pokies industry. They will back the big end of town the way they always do. There will be a few cursory comments about local clubs and the like, but they will not acknowledge the damage done by these machines and they will not acknowledge that it is the big end of town. Of course, we know what is behind it all for the coalition—that is, the significant donations that are made by entities.

Mr Tudge interjecting—

Mr CHAMPION: Well, by entities. I am more than happy to acknowledge those donations. Perhaps what we need is a bipartisan focus not to take the money. Then people would be able to judge our actions on their policy merits. I think, frankly, taking money from industries which hurt people is not good for any political party and I would not advocate that anybody do it.

Mr TUDGE (Aston) (12:08): It is very easy as an Independent to take the moral high ground on gambling issues with some simple propositions, as the member for Lyne has outlined in this motion. But it is frequently more complex than what the Independents would have you believe. As the member for Lyne would be only too aware, poker machine licences are allocated by state governments and not by the federal government. So, if the member for Lyne wants to reduce the number of poker machines—and I will get onto that point in a minute—then I do not think that creating a new bureaucracy at the COAG level is the way to go. I would rather suggest that the member for Lyne take it up in his own state, with the state government of New South Wales and, indeed, he could even go directly to clubs in his electorate and ask them to be the first demonstration cases and reduce the number of poker machines. I do not support this motion for some of the reasons I have outlined. I would support a reduction in poker machine numbers in Australia, but this needs to happen on a state-by-state basis. In my own state of Victoria I think we made a mistake in the early 1990s by allowing the proliferation of poker machines in every club and pub across the state. In hindsight, we probably should have kept poker machines to a few key destinations, such as the casino, so that it became a recreational destination rather than a part of people's everyday lives.

Of course, we cannot turn the clock back on this. The state governments could reduce the number of licences over time as they expire. I think that the state governments should explore this possibility and the federal government could have some contribution towards that end. From the federal perspective, we should be taking some sensible actions to curb problem gambling. But in my view there is no easy solution. As part of the coalition's gambling task
force, we have been looking at various steps that we can take including precommitment technology, extra counselling assistance and slowing down spin rates. But I am not convinced that any one of those alone would solve the problem.

Let me touch on the online environment, which is also spelt out in this motion. This is only a small portion of the total gambling industry at present. But it is growing rapidly and will be the source of problems in the future. I am concerned that we are normalising gambling in our daily lives through the ready access of gambling on our iPhones and iPads. How to think about and deal with this is a difficult balance for Liberals. On the one hand we support individual responsibility and individual freedoms, while on the other hand we need to think about those people who are more vulnerable and the impact their decisions can have on the lives of others.

I therefore suggest three measures which should be taken in relation to online gambling. First, I do not believe that online gambling companies should be able to offer credit to their customers for the purposes of betting. I have spoken at length on this in the House. My views were informed by an unemployed constituent who was given $80,000 in credit by sportsbet.com.au; I do not think this should be allowed and I have made that point very clear previously. Second, I think that advertising should be limited. Online gaming is a legal product for adults and it is a source of recreational activity for many. But it is a product for adults only, and there should be some sensible restrictions on advertising where children are typically watching. Finally, I think governments should be putting in place some regulations to stop in-play betting and microbetting. If we go down this path and there is a proliferation of in-play and microbetting, that will lead to corruption in our sport, as we have seen in other countries.

I do not think for a moment that the three measures that I have outlined will be the panacea and stop all gambling in the online environment or the poker machine environment. But they should assist and hopefully they will provide the right balance between allowing people to enjoy a punt and putting reasonable protections in place.

Mr STEPHEN JONES (Throsby) (12:13): It is a great pleasure to be speaking on this motion and I commend the member for Lyne for bringing it to the House. I am also particularly pleased to be talking after my colleague the member for Wakefield, who is, by my recollection, one of only three members of the entire parliament who in their first speech to parliament said that they were committed to addressing problem gambling, particularly poker machine addiction. There must be something in the water in South Australia.

Twenty-one thousand dollars a year is a lot of money to lose through problem gambling. About half a million Australians are putting that much money in poker machines or losing it on the track each year. You can imagine that if it were happening to any other group of Australians we would hear a clamorous uproar from those on the other side of the House saying that the government should step in and do something about this, and that we do not, and that there is only one reason we do not, and that is that we are concerned about dislodging some vested interests in this particular area.

The Gillard government's position has always been that we want to do something to address problem gambling. We commissioned and welcomed the Productivity Commission report into problem gambling. We have put in place a program to implement, on an evidence based method, the principal recommendation of the Productivity Commission, and that is that
mandatory precommitment be installed on poker machines in poker machine venues around the country. One of the things that the Productivity Commission was keen to emphasise in its report was that if we are going to do this then we have to get the platform right. Getting the platform right involves trialling it and ensuring that the technology is in place and that the social systems—the human systems that support that network—are right before we rush out to roll it out all around the country. So the trial in the ACT of the precommitment technology is entirely consistent with the recommendations of the Productivity Commission—that is to say, get it right before we impose an obligation and roll it out to the rest of the country.

At the same time we are putting in place a requirement that every poker machine that is manufactured in the future is able to support the precommitment technology. This is a matter that has often been lost in a lot of the debate that followed the Prime Minister's announcement of February this year. There has been a lot of talk that Labor's announcement was somehow a backflip on our approach to poker machine regulation. It certainly is not. It is a commitment to doing it and doing it right.

At the same time the Prime Minister announced the $250 daily withdrawal limit from ATMs in gaming venues—of course excluding casinos—something that I support. Of course there is a need to put in place some sensible exclusions in particular suburbs or towns where clubs are the only source of an ATM. There have been discussions around that issue. In addition, we are putting electronic warnings and cost-of-play displays on poker machines by 2016, funding an additional 50 new financial counsellors to work with problem gamblers, strengthening self-exclusion arrangements and improving the staff training arrangements in poker machine venues. Together, these represent some of the biggest reforms that have been taken on by any federal government in this particular area. Therefore, they should enjoy our support.

Further, the government recognises that gambling online and sports bets are a growing concern. I agree with the member for Aston on this particular point and the member for Wakefield, who I know is also very passionate about this. That is why we have put in place a ban on the promotion of live odds during sports coverage, extended precommitment to online betting services, cracked down on online sports betting companies offering credit, introduced stricter limits on betting inducements and further increased the powers of the Australian Communications and Media Authority to enforce these new rules.

Given the comments from the member for Aston, I expect his wholehearted support for all of these government initiatives. I also understand that the Prime Minister has referred the member for Lyne's proposals to the next meeting of the Council of Australian Governments Select Council on Gambling Reform. We are committed to doing something about problem gambling. (Time expired)

Mr CRAIG KELLY (Hughes) (12:19): We are in the midst of an extraordinary expansion in legalised gambling. However, to suggest that we can adequately address the issue of problem gambling by placing a national cap on electronic gaming machines, although very well intentioned, is misguided and perhaps even counterproductive. Australians, it has been said, will bet on two flies crawling up a wall. We are the only nation that suspends our national parliament to watch a horse race, and today Australians have more opportunities to gamble than ever before.
The internet has changed the face of gambling, for everyone with an iPhone in effect carries a mobile casino in their pocket, and anyone can be playing online poker or placing a bet within seconds, with a few taps of their phone, anywhere. You simply cannot cap the internet. Today, for those that enjoy a punt on the gallops, the trots or the dogs, there is no such thing as a last race. You can bet on races 24 hours a day, seven days a week, with race meetings held across the world. It is not only horses and dogs; you can bet on just about every sporting event on the planet. You can bet on beauty pageants. You can bet on the winner of the Eurovision Song Contest and you can bet on the TV show *The Voice*. There are even countless betting opportunities for political junkies. I can bet on whether the Speaker will return before the next election—where the odds have the 'no' at a short priced favourite of $1.20. Sportsbet are even taking bets on whether Labor will achieve their forecast budget surplus for 2012-13. Given Labor's track record, it is not a surprise that Sportsbet have the government failing to achieve a surplus a very short priced favourite, paying just $1.40.

While there have been discussions about bans on live betting—that is, where events are in progress—what event is more alive in our country at the moment than the Labor leadership tussle? This is also something you can bet online on. Currently, Centrebet is taking bets on 'anyone other than Julia' to lead the Labor Party at the next election, paying just $1.30. And there can be no greater example of how divided and dysfunctional this government has become than having a bet which pays $2.30 on the person described by his own side as 'a psychopath with a giant ego' as the favourite to lead Labor at the next election. I also note with interest that Sportsbet have my learned friend the member for Grayndler paying the very generous odds of 100 to one.

These examples are not to trivialise the issue of problem gambling; this is a very serious issue. But with so many gambling opportunities available today, to suggest a national cap on electronic gaming machines is simply misguided. So what should we do? I suggest there is an alternative approach. First, we should recognise that gambling is a genuine source of entertainment for many people and then we should ask ourselves what consumer protections and informational disclosures should be provided to gamblers, in exactly the same manner as we do with consumers in other sectors of the economy.

This is what Professor Kurt Eggert argues in a paper titled *Truth in gaming: toward consumer protection in the gambling industry*. Professor Eggert notes that poker machines are inherently misleading in design. In fact, the 1984 patent which forms the basis of the modern day poker machine states:

> It is important to make a machine that is perceived to present greater chances of payoff than it actually has within the legal limitations that the games of chance must operate in.

Put simply, the patent behind our modern poker machines admits that our poker machines are misleading in design. The design of our modern electronic poker machine is the equivalent of a loaded dice or a stacked deck of cards. Unlike traditional forms of gambling such as blackjack or roulette, the odds of winning are not inherent in the structure of the game and can be manipulated by the owners of those machines without the consumer being any wiser. Electronic gambling machines are one of the few sectors of the economy where there is a complete absence of price competition.

Professor Eggert recommends that the best way to reduce the incidence of problem gambling is to address that complete absence of price disclosure for poker machines. If we
were really serious about addressing the issues of problem gambling, we should be following the recommendations of Professor Eggert to ensure that prices are disclosed to consumers of gambling and are not allowed to be maintained under the current hidden veil of secrecy.

Debate adjourned.

Aviation

Debate resumed on the motion by Mr Truss:

That this House:

(1) notes that:

(a) international civil aviation has been included in the European Union Emissions Trading System (ETS) with effect from 1 January 2012;

(b) in September 2011, 23 countries signed a declaration opposing the European Union's plan to include all flights by non-European Union carriers to and from the European Union in its ETS;

(c) in November 2011, 26 countries supported an International Civil Aviation Organisation Working Paper which is critical of the European Union ETS and urges the European Union to refrain from including flights by non-European Union members in its scheme;

(d) in February 2012, 23 countries concluded a 2 day meeting in Russia on the inclusion of aviation in the European Union ETS by signing a declaration which states that they have a 'unanimous position that the EU and its Member States must cease application of the Directive 2008/101/EC [the European Union ETS] to airlines/aircraft operators registered in third States';

(e) the United States Congress has called on the United States Government to take all possible action to ensure that the European Union ETS is not applied to aircraft registered by the United States or the operators of those aircraft; and

(f) China has banned its airlines from participating in the European Union ETS; and

(2) calls on the Australian Government to:

(a) use all political, diplomatic, and legal tools at its disposal to ensure that the European Union's ETS is not applied to aircraft registered by Australia or the operators of those aircraft;

(b) should the European Union maintain the application of the European Union ETS to flight sectors outside Europe, immediately assess whether the European Union ETS is consistent with the World Trade Organization (WTO) agreements and join any WTO challenge; and

(c) join any international action to prevent the application of the European Union ETS to non-European Union airspace.

Mr HUNT (Flinders) (12:24): Our concern with the European Union ETS's application of a tax on international flights is about fairness and about effectiveness. Let me begin with the issue of fairness. If a new entrant were to enter the market to fly from Australia to the European Union, it would be hit with a massive tax because it would not be given the concessions that existing participants already have. Let us say, for example, that we were to have Jetstar or Virgin Australia fly directly to Europe. There is a prohibitive entrance fee on their ability to participate, and that is a completely uneven and inequitably levied tax.

Secondly, what we also see is this same situation where existing Australian carriers—most notably Qantas, of course, as well as Virgin's international service—are also prejudiced. Let me give an example here. If Qantas flies from Australia to London, the tax is levied on the entire journey. Other flights, however, which are only from Australia to Abu Dhabi and then from Abu Dhabi to London and which have a different origination to or from Europe as the flight code, will only be taxed on the Europe to Abu Dhabi or Abu Dhabi to Europe leg. In
other words, Australian carriers are specifically prejudiced under this legislation and under this particular tax regime. So it is an approach which is uneven and unfair, both for new entrants—which will effectively be cost-prohibited through non-tariff barriers from participating in international aviation involving Australia and Europe—and through a clearly unequal regime in relation to existing competitors and existing participants. Again, Australian competitors are treated badly.

But let it not be thought that it is only Australian competitors who feel that this is unfair and inappropriate. The government have made much of the fact that they think that China is about to embrace a heavy emissions trading scheme for itself. Clearly that is false. In the best-case scenario, in 2016 there might be a very thin system of $1.55, which is one-eighteenth or thereabouts of the system applying in Australia under the government's ETS, with what is projected to be $29 a tonne. In other words, there is a massive difference between the two rates, let alone the breadth across the economy. But the Chinese themselves have said that they believe that the European approach is unfair and unreasonable and that they will protect the 'rights of our nationals and our companies'. In particular, the Civil Aviation Administration of China notified all Chinese airlines that they cannot join the EU Emissions Trading Scheme or charge it to customers without government approval. In other words, the Chinese government has gone far further than anything proposed in Australia or applying to Australia and has put in place a ban on its airlines participating in or paying towards the European ETS in relation to international aviation.

In the United States, the US Air Transport Association, in addition to American Airlines, Continental and United Airlines, has initiated a legal challenge to the EU ETS on aviation, stating that it contravened the Chicago convention, the Kyoto protocol and the US-EU Open Skies Agreement and was contrary to principles of international law. The US Secretary of State has written to the EU declaring that their actions are unilateral and saying:

… we strongly object on legal and policy grounds to the EU's plan to subject our operators to the EU's ETS. The EU is increasingly isolated on this issue.

So we have the two biggest players in the world, China and the United States, flatly and clearly rejecting this particular application of the EU Emissions Trading Scheme to extraterritorial activity. What we are saying to the Australian government is that we should take the same steps in a modest way by making it clear to the EU that we do not think their system is legal and, if they do not accept that, participating in any international challenge.

(Time expired)

Ms SAFFIN (Page) (12:29): I am not speaking in opposition to the private member's motion before this place, but not because it injects into the ongoing discussion or negotiations any new ideas or issues, or indeed any creative approaches. It simply iterates some of the state of play regarding the EU ETS and aviation, and it also calls upon the Australian government to take action—and a lot of the action in the private member's motion is action that has already been taken. Particularly, there is point (c)—I have some reservations about that which I shall address in my contribution today.

The private member's motion sets out some actions already taken, as I said, but it does so in scant form. The Australian government's actions in this regard through the responsible minister, the Minister for Infrastructure and Transport, Minister Albanese, are that it has undertaken robust advocacy that protects and promotes Australia's interests. I would expect
no less from the responsible minister, Minister Albanese. Amongst other things, I would like
to have on the record here that the Minister for Infrastructure and Transport met the EU
climate change commissioner in Leipzig and made it very clear that Australia does not
support the inclusion of international aviation in the EU ETS. Specifically, that was to do with
Australia's interests.

Just by way of background to this issue—because it is an issue that the government and the
minister are seized of and undertaking very robust advocacy on—the Australian government
has made clear its opposition to the European Union's unilateral action on international
aviation. It has made it very clear on a number of occasions and in a number of forums. The
Australian government has done this through meetings and letters between respective
Australian government and European Union ministers and through the Australia-European
Union senior officials talks. Those talks are specifically on climate change, and this matter
continues to be a matter of ongoing dialogue between Australia and the European Union.

The International Civil Aviation Organisation—ICAO, as it is referred to—is the key
forum in which countries have been negotiating an agreement towards limiting emissions. At
the most recent meeting of the organisation Australia made the Australian position on the
European Union emission trading scheme and its application to the Australian airline industry
very clear. They could not make it any clearer: the Australian government urged the European
Union to hold off on their expansion of the European Union emissions trading scheme to
international aviation. The Australian government also made it very clear and said, correctly,
'We want to work together with all ICAO members, including the European Union, towards a
binding, global sectoral agreement for the industry.' The proposal was to do this, again
correctly, through a market based mechanism.

Australia continues to support the development of a global approach to market based
measures for international aviation. The Department of Infrastructure and Transport is
working with a range of ICAO representatives to seek resolution of this issue. They include
representatives from Brazil, Canada, Japan, Korea, Mexico, Nigeria, Singapore, the United
Arab Emirates and the United States, as well as European and industry representatives. This
position has been made clear in communications with the European Union since this meeting.
Australia made it clear that the market based sectoral approach for this industry is the best
approach and that the Australian government will continue to work towards this in
negotiations that are ongoing this year. The honourable member for Flinders made his
contribution just before me. I note that as recently as December last year the honourable
member had this to say on global agreements on ABC24 Breakfast, 6 December 2011. He
said:

In the interim what we are looking for is sectoral agreements. What does this mean? It means that
you take a sector such as steel, cement or methanol and you try and get a common approach across the
globe. You won't get 100 per cent but you might be able to get 80 per cent, and that is the way to get
over the issue of boundaries and borders which has been a huge barrier to international action.

That is precisely what the government is doing in terms of the negotiations on this issue vis-à-
vis aviation. On the government side they have been working constructively through the
official channels, the appropriate channels, to make representations on behalf of Australian
industries, and Australian industries are well informed, well briefed, on this matter. Australia
in this area has to lead, not follow, and using ICAO not to sit on hands but to push for a more
global approach. Australia has considered that to be more constructive than adding one more voice to the existing group of originally I think 26 nations opposing this particular European Union ETS.

Some other specific representations have been made. Senior Department of Climate Change and Energy Efficiency officials raised this issue at the Australia-European Union senior officials talks on climate change in Brussels on 27-28 February this year. This issue will be canvassed again at the forthcoming meeting on 4-5 June this year. There were letters from Ministers Albanese and Combet to the European Commissioner for Climate Change dated 25 January this year expressing very clearly the preference for an agreement with the ICAO. Australia's intervention to the International Civil Aviation Organisation council meeting in November 2011 was another representation where we were opposing the unilateral measures and proposing action as well in Australia. My information is that European officials have responded to Australia's constructive stance trying to do it through the appropriate body and channels and with sector agreement and have undertaken to work cooperatively with Australia through ICAO, and the issue will be canvassed again under a part of that 4-5 June meeting.

I would like to make a few other points. As I said, I am not speaking in opposition to the honourable member's motion, but it is a motion that iterates actions that have already been undertaken in this regard but in more scant form than what has happened with the advocacy of the Australian government. It also calls on the Australian government to undertake a range of actions that the Australian government has already undertaken, plus some. I have a reservation on point (2)(c), where it says 'join any international action'. 'Any international action' is very broad, calling upon the Australian government to commit to any international action, and I have to express my reservation at the breadth and the vagueness of that particular phraseology and say that the Australian government is committed to the ongoing advocacy through ICAO.

Mr TRUSS (Wide Bay—Leader of The Nationals) (12:39): The European Union emissions trading scheme operates on a sectoral approach, with different sectors being phased into the scheme over time since 2005. In August 2009 the EU announced that the nearly 4,000 commercial airlines, business jet operators and air forces from around the world that fly into and out of the EU would have to participate in their emissions trading scheme by January 2012. Failure to comply would see companies face fines of 100 euros per tonne of carbon dioxide emitted during a flight. As a last resort the EU could ban airlines from EU airports for noncompliance.

Their emissions trading scheme is levied on the carbon dioxide output from the fuel burnt on flights inbound to and outbound from EU ports not just over European airspace but, extraordinarily, to their first port of call outside of Europe. According to one consultancy firm, the total cost to airlines under the EU scheme will be 10.4 billion euros through to 2020.

Under the EU carbon tax, Qantas will be forced to pay an extra $2.3 million in 2012 alone and has already announced fare surcharges on travel to and from London and Frankfurt to cover this impost. Qantas has added a surcharge of $3.50 each way to a fare booked in Australia for Qantas flights to and from London and Frankfurt, and that surcharge will continue to rise. This is on top of Qantas' liability for the Australian carbon tax, which will affect their domestic services. Qantas has estimated that the Australian carbon tax will cost
them between $100 million and $115 million in 2012-13 and will add between $1.82 and $686 to fares, depending on the sector's distance.

Similarly, Virgin's codeshare flights with Etihad will be affected, though only from Abu Dhabi to Europe, as customers bear the brunt of the EU ETS on aviation. The bill for new entrants to the European aviation market such as Jetstar or Virgin Australia will be much higher. Airlines that currently fly into the EU initially receiving a significant share of their carbon permits for free but new participants do not.

In enforcing this scheme the EU is taxing foreign airlines, including Qantas, for flying over non-European airspace. An Australian registered aircraft flying directly from Australia to Europe with an Australian crew and Australian passengers would be charged a European carbon tax for flying over Australian airspace. This is simply contrary to principles of international law and almost certainly in breach of a number of international conventions and open skies agreements.

The EU scheme has been most strongly opposed by most of the world's leading economies and has been opposed by most of the largest aviation nations outside of the EU. Earlier this year China banned its airlines from participating in the EU ETS. The Civil Aviation Administration of China notified all Chinese airlines that they cannot join the EU ETS or charge it to customers without government approval. The government of China has indicated that, if the EU does not back down, they will consider taking action to protect the 'rights of our nationals and our companies'.

It has been reported by Airbus's parent company EADS that in March China blocked purchases of Airbus planes worth US$12 billion in protest against the EU ETS. The USA air transport association, American Airlines, Continental Airlines and United Airlines initiated a legal challenge to the EU ETS on aviation, stating that it contravened the Chicago convention, the Kyoto protocol and the EU-US Open Skies Agreement and was contrary to principles of international law that stipulate each state has complete and exclusive sovereignty over the airspace of its territory.

In December 2011 the European Court of Justice in the EU rejected the USA's argument—one would wonder about their neutrality on an issue of this nature. After this decision the US Secretary of State wrote to the EU declaring their actions unilateral and saying that:

We strongly object on legal and policy grounds to the EU's plan to subject our operators to the EU's ETS. The EU is increasingly isolated on this issue.

Airlines for America has said:

… our member airlines continue to strongly oppose the application of the EU ETS to US airlines and continue to fight against it.

Earlier this year the US passed the Federal Aviation Administration Bill, calling on the government to use:

… all political, diplomatic, and legal tools at the disposal of the United States to ensure that the European Union's emissions trading scheme is not applied to aircraft registered by the United States or the operators of those aircraft …

More broadly, many countries have shown their strong and continuing opposition to the scheme, but Australia's weak, divided and paralysed government has barely uttered a whimper.
In September last year, 23 countries signed a declaration stating that the EU ETS was illegal and contravened the 1944 Chicago convention. Those nations included China, Brazil, Singapore, the UAE and the USA. Australia was not one of the signatories. Then, in November last year, 26 countries supported an International Civil Aviation Organisation working paper which was heavily critical of the EU ETS and urged the EU to refrain from including flights by non-EU members in their scheme. Where was Australia? Australia was one of only two non-EU nations from the International Civil Aviation Organisation not to sign the working paper.

Earlier this year, 23 countries concluded talks in Russia by signing a declaration which stated that they have a 'unanimous position that the EU and its member states must cease application of the EU ETS to airlines and aircraft operators'. The signatories included India, Japan, Brazil, Russia, Singapore and the USA. Those countries have indicated that they may consider drastic action including barring participation by airlines and aircraft operators in the EU, reviewing bilateral agreements and imposing additional levies or charges on EU operators as a form of countermeasure. Again, Australia failed to sign the agreement.

The Department of Infrastructure and Transport has stated that the government opposes the EU ETS and has made it clear in very senior representations to the European Commission and to European governments that Australia does not support the unilateral action of the European ETS to Australian airlines nor any unilateral action taken in that form. The government has said, and the member who spoke previously said, that Australia opposed the scheme, but we have not taken any action to try and stop it from happening. Presumably this is because this government is too embarrassed after imposing the world's biggest carbon tax. It has no credit from the European Union for imposing the world's biggest carbon tax on Australia. Our airlines are being taxed by the Europeans as well, even on some occasions when they are flying over Australian airspace. As I mentioned earlier, Australia was one of only two non-EU nations to not support the working paper opposing the EU ETS. Australia did not sign either of the declarations signed by dozens of countries opposing the EU ETS.

The motion that I have moved today reflects the wording of the act passed in the United States of America. It calls on the government to use all political, diplomatic and legal tools at their disposal to ensure that the EU's ETS is not applied to aircraft registered by Australia or to the operators of those aircraft. The motion also calls on the government to immediately assess whether the EU ETS is consistent with WTO agreements and to join any WTO challenge or any other proposed international action to prevent the application of the EU ETS to non-European airspace.

The House should support this motion to clearly state its opposition to the EU ETS and to stand up for our airlines. If it is good enough for the United States congress, why isn't it good enough for Australia? If the rest of the world's aviation community is crying out against this unjust and probably illegal tax, why does Australia remain mute? The Australian aviation industry is already struggling with a higher cost base than many of our international competitors, not to mention the imposition of the world's biggest carbon tax on its domestic operations. It is entitled to the support of its government as it fights against this iniquitous EU tax.

Mr ZAPPIA (Makin) (12:49): My understanding is that the government does not oppose this motion. I have just listened to the Leader of the Nationals, who is the mover of the
motion, arguing in favour of it. Being the mover of the motion he, obviously, would be expected to do that. But it seems to me, from listening to his contribution, that most of what he is asking of the government is already being done by the government, with the exception of perhaps signing certain international agreements that are currently being drawn up by other countries.

The motion is effectively saying this: the European Union has included within its emissions trading scheme a provision which forces international civil aviation carriers to be part of its emissions trading scheme. The motion also points out that there has been considerable opposition, by countries outside of the EU, to this proposition. My understanding is that the decision of the European Union dates back to October 2008 and at the time it was estimated to add between one and two euros to each passenger's flight. The Leader of the Nationals quite rightly points out that Qantas and Virgin in Australia have already factored in that additional cost in the order of $3.50 and $3 respectively. It is nothing new.

In recent times there has been considerable opposition by countries around the world to the inclusion of the aviation industry in the EU ETS. Australia too has made its opposition to this very clear. The member for Wide Bay says, 'What is Australia doing in respect to its opposition to this proposition?' The Australian government has for some time been in discussions with the EU on this very issue and has been doing it through a number of multinational forums. The ministers of the Australian government have met with EU counterparts and I understand that only recently the Australian government made its position very clear to the EU climate commissioner.

This is a matter that would be better resolved through negotiation than threats. The member for Wide Bay quite rightly referred to the Chinese response—they cancelled an aircraft order from Europe as a result. That is not the way our government believes matters should be negotiated. The different actions those countries have taken are interesting. Certainly, they are drawing up agreements or policy statements where they will oppose the introduction of the aircraft industry to the EU ETS, but they have not changed it. Taking a stance and protesting has not made a scrap of difference. It is our view that if you want to make a difference, go about it in a formal way.

It is also interesting that only last year the European Court of Justice rejected a legal complaint against the inclusion of the aviation industry into the EU ETS by American Airlines and other airline associations. They rejected it because it has obviously been very clearly and carefully drafted into their legislation, so going to the WTO is not necessarily going to be successful either. The success of this government seeking to have the decision of the European Union reversed or changed will come about through sensible dialogue between the EU and other countries. That is exactly the course that this government has taken, as it does in all international disputes.

The first thing we owe the countries we deal with is to sit down with them and go through the provisions of the issues that are in dispute and see how they can be best overcome. For the EU to have imposed ETS provisions on its aviation industry means it is something the EU believes in. It would be no different if this country made provisions that other countries differed with. If they do differ with them, talk to our government about it.

Mr BALDWIN (Paterson) (12:54): I rise to speak in favour of this motion that calls on the Australian government to follow the United States in calling for aircraft registered by
Australia or the operators of those aircraft to be excluded from the European Union's Emissions Trading Scheme. The coalition wants the government to pursue all avenues under World Trade Organisation agreements to test the legality of the scheme and join any other proposed international action to prevent the application of the EU ETS to non-European airspace.

The aviation industry has always been a challenging one. Sir Adam Thomson, the former boss of British Caledonian, once said:

A recession is when you have to tighten your belt; depression is when you have no belt to tighten. When you've lost your trousers—you're in the airline business.

In the past eight months we have seen the demise of Air Australia, while our national carrier grounded its entire fleet, announced further rationalisation after revealing its international division was losing over $200 million a year, and planned cuts in capital expenditure of $700 million. With IATA claiming the European system will cost airlines up to $1.23 billion this year, rising to $3.6 billion in 2020, global carriers such as Qantas need the EU's ETS like a rudderless aircraft.

As the shadow minister for tourism and regional development, I can understand that the tyranny of distance leads to the airline industry playing a vital role in bringing international visitors to our shores. Tourism expenditure, though, is mostly a discretionary spend. Making air travel more expensive will therefore have the effect of reducing the number of international visitors or cutting their expenditure in our country.

However, it is not just the potential effects that the EU's carbon tax will have on tourism that concern me. As Paul Kelly sang, 'From little things, big things grow.' When the global economy is growing, there is an impetus to grow the economic cake through the further liberalisation of trade. At times of economic uncertainty, as now, the tide flows in the other direction and the spectre of protectionism rears its ugly head. What might seem a little thing now has the potential to grow into a big thing by means of major trade conflict.

The introduction of the European Union's ETS system this year—in which 4,000 airlines will pay for the pollution they produce over the entire distance of each flight into and out of the EU—has already sparked negative reactions. Ten Chinese and Indian airlines have already refused to provide the EU with the necessary carbon emissions data. India has already threatened to ban European airlines from its airspace if Brussels sanctions Indian carriers for this refusal, with their environment minister calling the scheme a "disguised" unilateral trade measure introduced under the name of climate change'. In March, there were claims that China was blocking Airbus aircraft orders for Chinese airlines worth $12.29 billion. Airbus said it was also seeing retaliation threats from 25 other countries. Russia has threatened to limit airlines from EU countries' use of air routes over Siberia and preference non-EU carriers instead. The US government has urged the EU to reconsider its current course or it will be compelled to take appropriate action.

Like the ill-conceived carbon tax here, the EU's ETS is not a way to reduce carbon emissions. It simply reduces the capital available to airlines, which Boeing's CEO said would 'prevent airlines from buying modern equipment that will reduce their environmental footprint. The European Union has the right to make laws for flights within Europe. However, as the Director General of IATA stated, it does not have the right to pocket 'taxes for emissions by non-European carriers over the sovereign territory of non-European states.'
Any move to impose taxes without an agreement reached through the multilateral mechanisms of the International Civil Aviation Organisation needs to be opposed. Australia needs to stand with those nations in urging the EU to reconsider and avoid a trade war that Europe in its present economic situation can ill afford. I appreciate the government's embarrassment over proposing the world's biggest carbon tax, which Qantas has said will cost them $115 million and which will cost Virgin Australia $45 million in the first 12 months on their domestic operations. However, it should not be an excuse for continued inaction. They should vote for this motion to support our airlines and demonstrate this House's bipartisan opposition to the EU ETS.

Dr LEIGH (Fraser) (12:59): The government has made quite clear that we support the spirit of this motion on international aviation and emissions trading. We have made clear our opposition to the EU's unilateral action on international aviation on a number of occasions and in a number of fora. We have done that through meetings, through letters between the Australian government and EU ministers and through the Australia-EU senior officials talks on climate change.

The International Civil Aviation Organisation, ICAO, is the main forum through which countries negotiate an agreement on limiting emissions. We made our position very clear at the most recent meeting of that organisation: we asked the EU to hold off on their expansion of the EU ETS on international aviation. We want to work together with all ICAO members, including the EU, towards a binding sectoral agreement for the industry. And that is indeed the sensible approach to be taking on climate change and aviation.

We support a market based mechanism because we understand that it is the most efficient and effective way of reducing emissions and dealing with dangerous climate change. The Department of Infrastructure and Transport is working with a range of ICAO representatives to seek resolution of the issue. We are working with representatives of Brazil, Canada, Japan, Korea, Mexico, Nigeria, Singapore, the UAE and the US as well as European and industry representatives. That approach of working through ICAO is much better than whatever the member for Wide Bay means when he says in his motion at part 2(c) 'join any international action'. Our approach to climate change is a market based one, but it is one that also supports households.

It was my pleasure yesterday to host a morning tea for the Prime Minister and the Minister for Families, Housing, Community Services and Indigenous Affairs in Amaroo. At that morning tea was a group of Canberra pensioners: Estelle Griffin, Trish Roberts, Susan Cook, Pat Corbett, John and Kathy Bonnett, Janice and Fred Hodgson and Ada and Hank De Puit. It was an opportunity for those pensioners to hear first-hand from the Prime Minister and the minister for families and community services about how Labor is helping pensioners, about how we are ensuring that pensioners have household assistance that will not only allow them to deal with the modest price rises—0.7 per cent of the CPI—but also give them a buffer. Millions of Australian pensioners, even after accounting for the changes in costs that flow from the carbon price, even without changing their behaviour—none of our modelling assumes the behavioural change which we know is likely to take place—will still have a buffer.

I want to thank Gesima Olney, Joel Olney, Penny Hardy, Edie Terrell, Margaret Ryan and Lyndell Tutty for their hard work in putting together that morning tea, giving a valuable
opportunity for Canberra pensioners to speak directly with the Prime Minister. The Prime Minister was asked directly about what will happen when costs go up and she responded by saying, 'Yes, it is true that there will be electricity price effects—not the 30 per cent that the opposition has been talking about but effects that we have modelled at around 10 per cent, around $3 a week for the typical household.

These increases in pensions and allowances, assistance that pensioners will see flowing into their bank accounts from today and over the coming weeks, will ensure that Australian pensioners are able to deal with the price changes that will flow from pricing carbon.' I know that so many Canberra pensioners are committed to putting a price on carbon pollution. They recognise, as do conservative governments in the UK and New Zealand, as did the Australia Liberal and National parties in the 2007 election and past that—up until the change of leadership in the Liberal Party—that putting a price on carbon pollution is the most efficient and effective way of dealing with dangerous climate change. And they recognise that the household assistance—half the money raised from the carbon price will go to household assistance—is the appropriate way of making sure that Australian households are able to deal with the modest price changes that will flow from carbon pricing. They know that, come 1 July, towns will not be wiped off the map, that price changes will not be catastrophic.

The DEPUTY SPEAKER (Mr Symon): Order! The time allotted for this debate has expired. The debate is adjourned and the resumption of the debate will be made an order of the day for the next sitting.

National Year of Reading

Debate resumed on the motion by Mr Adams:

That this House:

(1) recognises that 46 per cent of Australians do not have functional literacy to enable them to undertake more than the very basic tasks, and that it should:

(a) give recognition to and acknowledge the importance of the National Year of Reading 2012 as demonstrated by the attendance at the launch by the Prime Minister, the Minister for the Arts, and the Minister for School Education, Early Childhood and Youth;

(b) congratulate all of the people and sponsors involved in setting up this National Year of Reading;

(c) aim to raise the awareness of all Australians to understand the benefits of reading as a life skill and a catalyst for well being through supporting this program;

(d) help to promote a reading culture in the home through this program, and

(e) assist to establish an aspirational goal for families, or parents and caregivers to share books with their children every day; and

(2) encourages all Members to participate in promoting the annual National Reading Day in their communities, schools and libraries.

Mr ADAMS (Lyons) (13:04): This year, 2012, is the National Year of Reading, and I have been given the honour of being appointed one of 24 national reading ambassadors. There are also a number of state and territory ones. We work with our patron, William McInnes, the well-known author and actor. It was certainly a surprise to be made a reading ambassador, and I never believed I could be in such august company. My fellow ambassadors are mainly writers or actors or very experienced in artistic communications, particularly for children, and have far more to contribute to reading than me.
I believe my role is to let the parliament, the country and my state know why this year has been set up and how we should be raising the awareness of all Australians to understand the benefits of reading and to hopefully develop a love of stories and to enjoy the act of reading. Did anyone in this House—there are not many of you here—know that 46 per cent of Australians cannot read newspapers, follow a recipe, make sense of timetables or understand the instructions on a medicine bottle? Nearly half our population cannot read with any fluency. It is a shameful and worrying statistic.

The Australian Bureau of Statistics Adult Literacy and Life Skills Survey 2006 found that approximately seven million, or 46 per cent, of Australians aged 15 to 74 years had scores at level 1 or 2 on the prose scale. Prose literacy is defined as the ability to understand and use information from various kinds of narrative texts, including texts from newspapers, magazines and brochures. The four main domains tested were: prose, document, numeracy and problem solving. A fifth domain, health literacy, was also tested. Scores were grouped into five skill levels—only four levels were defined for the problem-solving scale—with level 1 being the lowest measured level of literacy.

So Australia really needs to do more to ensure our population is more than just literate. As a fifth-generation Tasmanian, my education was distinctly lacking in incentives to be literate. I can understand why we have this dreadful figure of 46 per cent of Australians not being functionally literate. Certainly my folks did not read much, and not to their children, and their parents did not read at all. So reading was not a natural pastime in the 1960s and the 1970s, and I notice that there are still members of my family now who do not read very much at all. We did not have the need to on the farm. We did not have BAS, emails or much in the way of reading material. A newspaper or a farming magazine was the most likely thing to be looked at, and the radio provided the other stimulus during my childhood.

My stimulus to learn to read was that I needed to do more reading and writing in my employment to represent other people. It is much more difficult to learn as an adult than as a child and it did take me a long time. It is very hard to do many things if you cannot read. Having learnt to read and write, I have since devoted considerable effort to the adult literacy program and I now know the value of reading to both adults and children. Every day I read a lot, either through my work with the House, as an MP, or as a pleasant pastime. It was as president of the adult literacy program and the adult literacy council that I sat and passed the HSC English exam. Now, I am the House of Representatives representative on the board of the National Library, as well as joint chair of the Joint Committee of the Parliamentary Library. I am very proud to have both those roles.

Libraries are a key information source. I have used public libraries all my life. They empower people and they help our democracy. Libraries and their services give me great joy. I was sad to note that they have renamed our libraries in Tasmania the 'LINC', which to me is misleading—firstly because it is spelt wrong and, secondly, it does not imply reading or the recreational joy of the book. It seems very impersonal and more to do with communications jingle lingo.

So I am going to work hard this year to try to encourage more children to get into books and to understand libraries. They are one of the most important parts of our education system. Losing oneself in a story is a marvellous way of coping with times in your life: while you are
waiting at the doctors surgery, to board a plane—like many MPs—to travel, waiting in a queue, just waiting to fall asleep or sitting on a rainy day in your favourite chair.

This government has recognised the need to improve reading standards across the education spectrum. The Gillard government is committed to improving the educational outcome of all schools and school students, and it is providing funding for three Smarter Schools National Partnerships. There will be $540 million over four years for the Smarter Schools National Partnership for Literacy and Numeracy to support the infrastructure and practices that will deliver sustainable improvement in literacy and numeracy, including $350 million for rewarding improved performance. There will be $1.5 billion over seven years for the Smarter Schools National Partnership for Low Socio-economic Status School Communities to support a range of reforms that address educational disadvantage associated with so-called low socioeconomic status in school communities. And there will be $550 million for the Smarter Schools National Partnership for Improving Teacher Quality scheme and wide reforms to attract, train, place, develop and re-train quality teachers and school leaders. A quarter of all Australian schools—2,564—have been targeted for support through the low socioeconomic status school communities national partnership and the literacy and numeracy national partnership program. Approximately 793,000 students—that is, 23 per cent of all students—attend these schools. Thirty-two schools in my electorate of Lyons are benefiting from these partnerships.

With this motion I am asking people, both young and old, to share their particular joy in reading with their communities. Families can start by reading to their kids and their grandkids. If you are an adult, start to learn. You may want to start with the outboard motor manual or with the sewing machine manual—whatever is the link or the hook that is needed to get people ready. We all need to have pathways for people to get on board.

The beginning at school is so important. TAFE has always played a great role for people who go to training with low reading and writing skills, and they have been able to address their needs at this level. Adult literacy is also something that needs more attention now; it is always being forgotten in the education debates. Members may wish to use their newsletters—and I hope that members do take that opportunity—to promote their local libraries and publicise local events for the Year of Reading in their own electorates. I hope they organise some events for schools and go into some of the retirement villages to some of our oldies and offer to read in those nursing homes, or go to the schools and offer to read. Encourage reading whenever you can in your communities. As I said, all the newsletters that go out from MPs should promote the Year of Reading this year and opportunities for people to get involved in their libraries if they have not been. I am sure every member would like the opportunity to stand in front of a library and get photographed, so there is an opportunity for their newsletters and a great opportunity to promote the Year of Reading.

This is something beyond politics, and I think we should all support this motion. I hope that everybody will enjoy some reading today, and I certainly thank everybody who will speak on this motion and who will give it support. I hope that we keep adult literacy in the front of our minds as we go into education debates in the future. (Time expired)

Mr HUNT (Flinders) (13:15): The member for Lyons finished his very fine speech with the statement that literacy, reading, is something beyond politics. He is absolutely right. Each of us in our electorates encounters families and children in schools who struggle with literacy.
They might be migrant families for whom the opportunity has never arisen to learn properly the language of life in Australia. Their opportunities are restricted, their confidence is often limited and their ability to participate is reduced. For children struggling through school it is an extraordinary challenge. I want to take this moment to reach across the chamber to acknowledge not just the motion of the member for Lyons but his own story. We have many disagreements with those on the other side. He is one of the good guys today. I acknowledge what he has achieved against difficult odds and the fact that he has become a national champion for literacy and reading and honesty and reaching out to those who are most in need of adult literacy as well as those who are most vulnerable to falling through the cracks in our schools.

Having said that, let me deal briefly with two elements here: the problem and the solution. I want to deal with the problem from a personal perspective. I was fortunate to come from a reading household, so my circumstances were not challenged as such, though those on the other side may say that my cognitive skills might not be what they otherwise might have been. But the real exposure that I have had over the years was through three fronts. The first was as a literacy teacher at Princes Hill School near Melbourne university while I was a student at Melbourne university, working with kids in their transition years to secondary school and recognising that, for those who struggled, it was very hard for them to acknowledge the challenges they faced. That gave me a sense of the cultural issues, I do not mean along ethnic lines but the sheer secondary school culture and challenge faced in kids acknowledging that they have an issue and a challenge. That is a big thing.

The second was in the housing projects of New Haven when I was studying at Yale in the United States. There was an ongoing program of working with kids, mostly of coloured background, almost all of distinctly disadvantaged background, many of whom had virtually no capacity to read whatsoever because of their social circumstances. To be engaged in that program was to recognise the incredible, fundamental transformative power of literacy and reading, not just in terms of career opportunities but in terms of the ability to structure and think and imagine one's way out of a problem and to imagine one's way forward. It was uplifting, and my only regret is that I was not more involved still in that program.

The third element is in terms of my own town of Hastings. Hastings is where I have my office. According to the 2009 Australian Early Development Index, it showed the highest proportions in Victoria of youngsters starting school with poor language development. West Park Primary is a fantastic school with committed teachers but it has huge social indicator challenges which translate to literacy.

That brings me to the practical programs which are about solutions. I am very fortunate to have worked with the broader program of linking schools and early years. This is where Hastings in particular comes in. Because of the commitment of Hastings Rotary Club and their Reading for Life program under the Linking Schools and Early Years program, we have been able to work on bringing volunteers for literacy to children to help enhance their reading skills, their self-esteem and their motivation. Each volunteer work with a child one-to-one for 45 minutes every week for between 10 and 15 weeks, with enormous real measured improvements in the quality of reading for these kids and therefore their passage for future schooling. The Myer Foundation has provided $3,000 to this program, and BlueScope almost as much. We recently had business operators in the town come to a breakfast. I want to
acknowledge the work of Geoff Harvey and Professor Marilyn Fleer from Monash University. Both have contributed enormously at different times in their own way to literacy in Hastings. I acknowledge all of the volunteers and the headmasters of the three schools in Hastings.

My message is that there is much to be done. We have achieved a lot, but there are still numerous kids who need a better start in life and this is best exemplified by practical programs such as Reading for Life, and we will simply keep going until every child in Hastings gets that opportunity to be fully able to read by the time they leave primary school.

Mr GRIFFIN (Bruce) (13:21): I rise today to support the motion moved by the member for Lyons about the importance of the National Year of Reading and the importance of literacy as a goal for our children and for adults throughout this nation. I commend him on his appointment as an ambassador as part of this program and also join with the member for Flinders in acknowledging the excellent work that he has done on these very issues. In fact, I can recall his first speech on coming to this place in 1993 when he spoke of the issues that he faced as an adult in dealing with the question of becoming a proficient reader and being able to school himself. He stands in this place as someone who has triumphed over many difficulties and he can be a beacon of hope to those who in later years seek to establish literacy as a basis for their communication and to improve their lives.

The National Year of Reading itself is an excellent proposal. We know that it is important to get to kids young and we know that it is important to have the very basic skills of literacy to ensure that people can fully contribute to life in our community. We know that reading skills provide children with the opportunity to learn, to understand society and to be an active part of it. We know that if kids do not get that start it is that much harder for them in the years ahead.

In my electorate of Bruce, which covers the area around Dandenong, Mulgrave and parts of Springvale in metropolitan Melbourne as well as Glen Waverley and Wheelers Hill, we have a significant number of communities which have come to Australia recently and where English is often a second language or not a language that is spoken at all. We know that for those families it is incredibly important to ensure that their children get a good start in life. They often come from families very determined to make the most of the opportunities in this great country of ours. In the circumstances, all we can do to encourage literacy in that situation is incredibly important.

The Gillard government has provided some $1.3 million towards this campaign, which is going to be run through libraries in conjunction with state governments, community groups and commercial partners. It is all about ensuring that the entire community is part of this project. It is about working on the basics and giving people the opportunity to learn and encouraging reading at home in particular. There will be children's competitions, peer-to-peer book reviews, adult book clubs and workplace literacy programs as part of a very broad set of events. All of that provides, I think, excellent opportunities in ensuring that we improve literacy within the Australian community. I urge all Australians to get behind this program. I urge all Australians to ensure that this National Year of Reading becomes a basis for improving the statistics which are disappointing about the Australian community in general but which say quite clearly why there is so much that needs to be done.
Ms GAMBARO (Brisbane) (13:24): I also rise today to support the motion by the member for Lyons and the words all of the other speakers who have spoken to this motion. On the first issue, I would like to particularly acknowledge the member for Lyons and his stance, his work and his great advocacy in this area. It is a bipartisan area. It really deserves support from both sides of the chamber. The National Year of Reading is a very significant and a very important initiative because it provides an avenue in which awareness can be raised about the terribly low rates of literacy in Australia. It is absolutely staggering when you look at the fact that 46 per cent of Australians do not have functional literacy. That means that every day there are thousands of Australians who cannot read a newspaper, who cannot read a medicine bottle, who cannot follow a recipe and who cannot make sense of a timetable.

I had my own experiences with literacy in the workplace a couple of years ago when, as I was preparing for our very busy Christmas Day in our seafood retail outlet, I had written down the instructions for how the day would go, because it was a 4 am start and it was one of the busiest days of the year. I gave the instructions to one of the fellows that was working for us in the kitchen, and I remember going into the kitchen two hours later and he was still trying to make sense of the instructions for Christmas Day and reading through each line meticulously. It absolutely staggered me. It will always remain with me: the image of this gentleman reading a page, and it was taking him two hours to read it and make sense of it. So from the workplace we have enormous challenges. There are many people in the workplace who do not have literacy. I have many companies come to me and say that they are having to send their employees to literacy classes. So it is an important year that we must acknowledge.

The National Year of Reading is an absolutely fantastic initiative. The goals that have been set out to improve literacy for all Australians are to understand the benefit of reading as a life skill; to promote the reading culture in every home; and to establish an aspirational goal for families of parents and caregivers sharing books with their children every single day. It is not an easy thing to do, with all of the technology that is out there. Once we would come home and we would read a book. I used to relish reading books in my family home. Now people go on PlayStations, they watch TV, they play computer games. I see my 23-year-old constantly on a computer monitor. But Pulitzer Prize nominee Nicholas Carr, in his book *The Shallows: What the Internet is Doing to Our Brains*, makes a very interesting comparison between internet usage and reading books, on cognitive learning particularly. He says:

> Once I was a scuba diver in a sea of words. Now I zip along the surface like a guy on a Jet Ski.

Isn’t that a terrific way of describing the wonderful richness of words and how this new technology has taken over our thought processes—that strange staccato quality where we jump from one topic to another in a haphazard order? Kids are learning to do that and not learning the very basics of literacy. While the internet is a wonderful tool, we really need to have a balance, to ensure that literacy skills are not limited by technological platforms.

It is so fantastic to see the member for Lyons promoting this. He has certainly had his challenges. I want to acknowledge his absolute inspiration to us all. In learning to read and write as an adult and as a member of parliament, he is a true ambassador for all of those people out there struggling with this very important issue.

The National Year of Reading is a really great program, and I want to commend the government on its initiative. It will bring a reading culture into every home. A few years back
I was at a national literacy day at one of the local schools. I asked one of the group that I was with how many of them had a book in their home, had seen a book in their home. Most of the group had never seen a book in their home, had never been read to from a book. But they did point out to me that their parents read biker magazines, boating magazines and car magazines. But we should not presume that there is a culture of reading. It is clearly important for our children to grow up to be able to read and write. They need to do that while they are actually in the classroom, but we need to start literacy at a very early level. So I absolutely commend what the government is doing here.

In the brief time I have left, I just want to commend the Adult Migrant English Language program. We must also help our new immigrants. (Time expired)

Sitting suspended from 13:29 to 16:00

BILLs

Appropriation Bill (No. 1) 2012-2013
Appropriation Bill (No. 2) 2012-2013
Appropriation (Parliamentary Departments) Bill (No. 1) 2012-2013
Appropriation Bill (No. 5) 2011-2012
Appropriation Bill (No. 6) 2011-2012

Second Reading

Cognate debate.

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: "whilst not declining to give the bill a second reading, the House requests the Government to vary the resolution in relation to the Appropriation bills agreed by the House on 8 May 2012 to permit amendments to be moved and debated to Appropriation Bill (No. 2) 2012-13".

Ms GRIERSON (Newcastle) (16:00): It is an important time in the economic history of this nation and indeed the world, and the 2012-13 budget is an important part of this nation's economic history. When federal Labor came to government at the end of 2007, our economic honeymoon period was very short. In 2008, we faced the impending global financial crisis, the greatest downturn in the world's economy for 60 years. Fortunately for the Australian people, the early awareness of the full potential of any GFC shown by then Prime Minister, Kevin Rudd, and the prescient advice of then Secretary of Treasury, Ken Henry, to 'go early, go hard, go households' combined to successfully steer Australia through the GFC. Unlike too many other developed nations, we did not go into recession, we did retain jobs and we did continue to invest in the future of the nation through significant programs in infrastructure, education, skills training and innovation. I would like to say how much I enjoyed the recent half-hour interview by Chris Uhlmann of Ken Henry on the ABC. It is always important to be reminded of what experiences we have been through.

The strategic investments that we made meant that many sectors could continue their core business and retain their workforces. It is always worth acknowledging the immense effort of
many businesses and their employees to negotiate accommodations that reduced job losses for employees and losses for employers. That is the sort of cooperation this nation is capable of and is known for; it is the sort of fair go that at present seems to be somewhat under attack.

At the time of the GFC, our stimulus efforts meant deficit budgets. At that time we made a commitment to the Australian people that we would return the budget to surplus by 2013-14. In this budget, the 2012-13 budget, we have kept our promise a year earlier than we committed to. Since those deficit budgets of the past contributed to the strong economy we experience today and the circumstances that have enabled us to return to surplus, we have faced relentless claims by the opposition that we spent the hard-won surplus of Peter Costello, that we have trashed the economy and that we have maxed out the national credit card. What absolute garbage and what reckless talk that can do great harm to this nation's financial reputation.

Let's not be fooled: that supposedly hard-won Costello surplus they talk of was hardest of all on the Australian people. It was won by selling off Telstra and our major airports. It was won by failing to invest in the infrastructure and innovation that underpin successful businesses and 21st century economies. It was won by failing to invest in the skills and knowledge of the nation's people, who make up our workforce. It has been federal Labor governments that have had to do the real heavy lifting and play serious catch-up, all because of the neglect of those Howard-Costello years, all because of neglect of the Prime Minister in waiting, Tony Abbott, as he would suggest. He is an economic illiterate according to the previous Treasurer, Peter Costello.

Heaven help the Australian people if the economic midgets opposite ever get their hands on the economic levers of Treasury. The responsible economic management shown in the 2012 budget is in vast contrast and it has been good for the people of my electorate of Newcastle. Families, working people and business are the heart and soul of this nation and they are the heart and soul of the 2012 budget.

In Newcastle around 14,500 small businesses may be eligible for the new loss carry-back tax measure, as well as being able to deduct new business assets that cost under $6,500 for as many assets as they purchase. Additionally, businesses will be able to write off assets that cost more than $6,500 in a single pool and will be able to immediately deduct the first $5,000 of a new or used motor vehicle purchased from 1 July. These are measures that encourage business to invest in essential items that will continue to drive productivity and their cash flow, helping both the businesses and, ultimately, the nation.

In Newcastle almost 11,000 children and their families will receive the schoolkids bonus of $410 for each eligible child in primary school and $820 for each eligible child in high school. Of course that is paid to them each year. This critical financial support will be paid upfront at the beginning of school terms 1 and 3, when families really need it. I will not revisit the demeaning attitude of the Leader of the Opposition when he suggested families could not be trusted to manage this bonus. I am very happy to speak from my experience as a principal for over a decade and having seen firsthand the very careful financial management of many disadvantaged families to ensure their children did not miss out on a complete education.

I go back to one particular school that I was principal of. It was a very poor school—perhaps the poorest school in the city of Newcastle. It amazed me that the parents would be first into the January sales to lay-by items for next Christmas. They were very good financial
planners and they never let their children miss out. But I have also seen the generosity of more financially comfortable parents who, when they received the former back to school bonus in New South Wales, donated that bonus directly to the school for specific fundraising projects. So my experience is that families in Newcastle are very capable of making very sensible decisions when it comes to such payments.

Eight thousand Newcastle families will receive an increase in family tax benefit part A from 1 July 2013, and in the Newcastle electorate alone over 10,000 young people, single parents and the unemployed will receive a supplementary allowance of $210 for singles, or $175 for a person who is a member of a couple, to help them with essential bills. Tripling the tax-free threshold from $6,000 to $18,200 means approximately 212,000 working people in Newcastle and the Hunter region will get a tax cut beginning 1 July this year. In fact, seven million Australians will get that tax cut at a time when cost-of-living pressures in a constantly changing world make it difficult for working people to plan ahead. From this month, around 90 per cent of Hunter householders will receive assistance payments, a tax cut or both from the Clean Energy Future package, which was included in the budget.

We are indeed the clever country, and right now we have a strong economy to help us transition to a cleaner environment for future generations—a necessary transition, given that our carbon based resources cannot last forever and if we are to play our part in reducing the impact of climate change. The science of climate change is clear: man-made activity and carbon pollution are contributing to climate change—a change that will have a profound effect on the standard of living we currently enjoy if we do nothing. The economics of climate change is clear: the earlier a nation acts, the more benefit is derived for the economy. The business of climate change is clear: early adopters in manufacturing and business can sustain their competitiveness and stand to make the greatest economic gains. But those opposite continue to trash talk both science and our economy.

There will be modest price impacts, we know, from placing a price on carbon pollution, with Treasury estimating that overall costs will increase by 0.7 per cent, or less than 1c in the dollar. You cannot help but look back and think about that GST that was never going to happen under John Howard. It was introduced and it was 10c in every dollar that Australians spent. This is less than 1c and is an important part of making sure behaviour is changed, modifying the behaviour of the biggest polluters so they do not keep polluting at the same rate as they are.

But the carbon price will account for approximately 8c of every dollar in New South Wales household electricity bills. So, while the average bill will go up $3.30 a week because of the carbon price, an average household will receive $10.10 a week in help from the federal government. We are determined to help Australians with the rising costs of a 21st-century life, and that is the core feature of this budget and the government's modus operandi. We are prepared to take on the big economic reforms like the Clean Energy Future, the minerals resource rent tax and the National Broadband Network to keep our economy strong, but we are equally determined to do that in a way that helps average Australians manage that change in a way that spreads the prosperity and great wealth of this nation into every community in Australia. Whilst Newcastle and the Hunter region continue to benefit from infrastructure investments made in the past four budgets brought down by Treasurer Wayne Swan, there were some infrastructure measures in the 2012 budget that deserve special attention. As a
government we have committed $3.6 billion to complete the much-needed duplication of the Pacific Highway between Newcastle and the Queensland border, if the New South Wales government will put in their share. The 80-20 per cent funding split that we introduced during the GFC has rightly reverted back to the 50-50 split convention, and I call on the New South Wales government to make their commitment in the forthcoming budget to get the Pacific Highway duplication completed. It is a main corridor, bringing economic benefits to my region from tourism and freight movements. With the Hunter Expressway moving ahead, thanks to our funding, regional centres such as Newcastle depend on those major arteries for their economic success.

Similarly, this budget allocates $150 million for the completion of the M2 to F3 link—that eight kilometres of road that winds through Sydney suburbs, Sydney school zones and Sydney speed cameras. Again, the F3, M2 and M7 through to the Hume Highway is a vital corridor for regional Australia to connect across regions. Getting that traffic out of the streets of Sydney makes sense for everyone. So again I call on the New South Wales government to live up to its promises, match our funding and get these main arterial highways completed.

Sitting beside this budget is the commencement of the rollout of the National Broadband Network to 110,200 households and businesses in the Hunter region within the next three years. Ninety-four per cent of households in Newcastle will be included in that three-year rollout and we cannot wait.

Looking ahead, the budget also projects that $6 billion revenue from the minerals resource rent tax will become available for urgent infrastructure needs in mining regions. It is time that the people of Newcastle finally had separation of freight and passenger rail from Fassifern through to Hexham and along the southern arm of the Hunter River to the grain and coal terminals at Carrington. Only then will we be able to reduce the coal dust and the long waits at railway crossings. This is critical to the amenity of our city, a city that has always been prepared to do the heavy lifting, the hard work, to build the economic future of this country. But any attempt by the New South Wales government to cost-shift their existing infrastructure responsibilities to the MRRT revenue should be rejected, given that royalties of over $1.5 billion from Hunter coal flowed into state coffers just last year.

Any suggestion that federal Labor's 2012-13 budget does not reflect responsible economic management needs a reality check, and that is what it got during the week the budget came down. All three major global credit rating agencies reaffirmed our gold-plated, AAA credit rating, the first achieved by any government in our history. It is, of course, a great comfort to international investors to put their money into Australia. Our economy is now seven per cent larger than before the global financial crisis. Australia's unemployment is at 4.9 per cent. This contrasts with what the OECD expects to be a 7.9 per cent unemployment rate for the OECD in 2013. The OECD Economic outlook released last week confirmed that we will significantly outperform OECD economies over this year and next. The OECD forecasts Australia's growth at 3.1 per cent in 2012 and 3.7 per cent in 2013. That is in line with our Treasury projections, but it is also in stark contrast to other global economies doing it tough.

Finally, it is important to unwind the myth that the budget raises the debt ceiling and that we have a huge national debt, maxed-out credit card problem. That is just not right. As the Australian Financial Review reported on 18 May, economists back the Gillard government's decision to lift Australia's debt ceiling by $50 billion, saying 'a financial buffer is important to
preserve the status of Australia's bond market as a safe haven during tough economic times. We all know that massive amounts of money are being invested into that bond market. An increased debt ceiling is sensible and necessary, providing liquidity to the bond market.

Senior economist at RBC Capital Markets Su-Lin Ong stated: 'This whole debate that debt is bad is not helpful.' I agree. Our net debt is expected to peak at 9.6 per cent in 2011-12. In perspective, our peak national debt is a little over one-tenth of the size of the debt of other major advanced economies. In response to the alarmist opinion piece by former Liberal senator Amanda Vanstone, she was corrected by the National Times's John Watson, who wrote: 'Get the facts and figures right—there is no debt crisis.' With an economy the envy of the world, an economy strengthened by the reforms and governance of federal Labor since 2007, our government's largest budget continues to further strengthen our economy and maintain real support for working people, families and businesses right across the nation. I take great pride in the efforts of this government over the four years we have been in power and I commend the appropriations bills to the House.

Mr FRYDENBERG (Kooyong) (16:15): I rise to speak on Appropriation Bill (No.1) 2012-2013 and related bills following the passing down of Labor's fifth budget, a budget defined by its rubbery figures, higher taxes and broken promises; a budget which is the culmination of five years of misguided policy priorities and bungled policy implementation; and a budget which does not place Australia well for the economic challenges ahead as the international environment deteriorates.

First to the bottom line: the government's prediction of a $1.5 billion surplus in 2012-13 is hard to believe. This time last year, the government predicted a deficit of $22 billion. MYEFO saw it revised to $37 billion. Now we know it has come in at $44 billion, an unforgivable blow-out which brings the accumulated deficits for the last four years to $174 billion. Not only are these the four largest deficits in Australia's history but they see our net debt peaking at over $136 billion, requiring new borrowings of $100 million a day.

The government seeks to explain itself by saying it had lower taxation receipts and was subject to external shocks such as the flooding in Queensland. But what this Gillard government fails to appreciate is that its policy prescription of increased taxes, more red tape for small business and a heightened role for unions in the workplace is a disincentive to investment and a brake on job creation. What is more, the predicted surplus was only achieved by bringing forward as much spending as possible into the 2011-12 year and pushing out as much spending as possible into the 2013-14 year and beyond—just as long as it does not fall within the magical 2012-13 year.

For example, payments of $1.1 billion to local government, $1.8 billion in infrastructure transfers to the states, $1.5 billion in carbon tax compensation for pensioners and welfare recipients, and $1.4 billion in disaster relief funding for Queensland were all brought forward to the 2011-12 year. Labor’s energy security scheme, which is normally a $1 billion annual program, has only $800,000 allocated in 2012-13. The government’s coal sector jobs package, which is an annual $250 million program, will only receive $10 million in 2012-13. This overt manipulation of programs also extends to the special dividends from the Australian Reinsurance Pool Corporation and the Export Finance and Insurance Corporation, which the shadow Treasurer has pointed out are only being taken in 2012-13 to 'fluff up the promise of a surplus'.
The government's accounting treatment of these programs, together with their decision to place major spending initiatives like the $50 billion NBN and the $10 billion Clean Energy Finance Corporation 'off balance sheet' in the forlorn hope that they make a return to the taxpayer, means we cannot take the government's budget numbers at face value. Nor can we allow the government to gloss over their broken promises and punishing tax hikes, the most serious of which is the carbon tax, explicitly ruled out before the election but soon to hit Australian households—in just over 30 days time. In my electorate of Kooyong I have had small business owners, self-funded retirees and captains of industry explain to me the pernicious impact the carbon tax will have on their bottom line. They are pleading for us to repeal the tax in the event we get to government. As I have said elsewhere, in my state of Victoria we will be particularly hard hit by the carbon tax. Premier Ted Baillieu released a report by Deloitte Access Economics showing that the government's carbon tax will by 2015 lead to 35,000 fewer jobs, a $6.3 billion fall in investment, a reduction in per capita income of $1,050 and a worsening in the state budget by almost $660 million—a grim picture indeed.

The next broken promise by this government was its company tax cuts, promised to small business up to the day of the budget but then brutally abandoned in this budget, saving the government $4.7 billion. In fact, Mike Symon, Labor's member for Deakin, wrote to business owners in his electorate in a letter dated 7 May, the night before the budget—

The DEPUTY SPEAKER (Ms K Livermore): Order! The member for Kooyong will resume his seat. The member for Parramatta on a point of order.

Ms Owens: No. I have a question.

The DEPUTY SPEAKER: Is the honourable member seeking to ask a question?

Ms Owens: I am.

The DEPUTY SPEAKER: Will you allow the question, Member for Kooyong?

Mr FRYDENBERG: No. The letter was dated the night before the budget. It arrived on 10 May, two days after the budget. It said that they could celebrate a 'cut in the company tax rate from 30 to 29 per cent, benefiting 720,000 small businesses as of 1 July 2012'. A more embarrassing mistake from the member for Deakin would be hard to find. Then there are the tax concessions of 50 per cent on interest earned from bonds, annuities and bank accounts which were abandoned in this budget. The standard deduction of $500 rising to $1,000 on tax returns was also axed in this budget. The $500 mature-aged worker tax offset has also been abandoned in this budget, saving $250 million. Taxation of super for people with incomes above $300,000 has been doubled in this budget to 30 per cent, raising the government $1 billion. A higher contributions cap on super for people over 50 has been deferred in this budget to 2014, saving the government $1.5 billion. Green building tax breaks of 50 per cent on eligible assets are now gone as a result of this budget. Labor has also walked away from its solemn commitment to increase foreign aid to 0.5 per cent of GNI by 2015-16. So too, when it comes to defence spending, Labor has unforgivably ripped more than $4 billion out of defence, in the process breaking its commitment for a three per cent real increase in defence spending up to 2018 and ensuring that defence spending in Australia as a proportion of GDP is now the lowest since 1938. Planned water infrastructure upgrades for the Murray-Darling Basin have been deferred in this budget to 2015-16, saving $941 million. Finally, the
passenger movement charge has been increased, meaning that the already struggling tourist industry will need to find an extra $610 million over the next four years.

When one adds to this long list of broken promises Labor's failure to generously fund the National Disability Insurance Scheme—to which it promised only $1 billion over the forward estimates, not the $3.9 billion a year recommended by the Productivity Commission—and its failure to fully commit to the Gonski review recommendation of an annual increase of $5 billion in education funding, instead allocating only a bit over $5 million for administrative follow up, it is easy to see why so many people are angry with Labor's fiscal mismanagement. The truth is that the party that gave us the pink batts, the Green Loans, the school hall fiascos, the GroceryWatch and Fuelwatch debacles, the NBN blowout and the Australia Network tender farce has turned economic incompetence into an art form. In fact, this government is so incompetent that it could not even run a hot bath. The question has to be asked in this place: if this government is so confident of turning a $44 billion deficit in 2011-12 into a surplus next year, in 2012-13, why is it trying to lift Australia's debt ceiling from $250 billion to $300 billion? The answer is that Labor does not even trust its own numbers. The truth is that in this current economic climate, both domestic and international, the government should be putting more money aside for a rainy day.

In his annual post-budget address to Australian business economists, the Treasury secretary, Dr Martin Parkinson, pointed to the difficulties in forecasting the economic outlook. In 2011-12, the budget forecast growth of four per cent in 2011-12 and 3.75 per cent in 2012-13—that was forecast down in MYEFO. While the national accounts data is still to come in, he sees growth for 2011-12 'closer to three per cent'. With exports comprising close to 20 per cent of GDP, lower than predicted export growth—particularly for education services—has had a significant impact. Export growth was forecast at 6.5 per cent in 2011-12 and now 'looks like it will be closer to four per cent'. At the same time, imports are growing faster than expected: 12.5 per cent for 2011-12 compared to forecast growth of 10.5 per cent. Terms of trade are clearly on the decline. Tax receipts, particularly company tax, capital gains tax and GST are all down. For example, company tax rates tax receipts were predicted to grow in 2011-12 by 27.5 per cent but are now down to 19.9 per cent, reflecting greater accelerated write offs and the fact that it has taken longer for company tax losses incurred during the GFC to be absorbed. Significantly, the revenue collection from indirect tax—including the GST—is revised down $3.7 billion. This data from Treasury reinforces the big question marks that coalition has over Labor's rubbery, wafer-thin surplus.

Looking abroad from Europe to Asia, the signs are not great. Japan has had its credit rating lowered two notches by Fitch from AA to A+, bringing it on par with Korea's for the first time. In April, China's shipments abroad were less than expected; and Malaysia, Thailand and the Philippines all had reductions in their exports. China's growth is estimated to be at 8.2 per cent, down a full per cent from 2011. The World Bank is expecting China's current account surplus as a percentage of GDP to decline after also falling in 2011.

As the European Union buckles under the weight of sovereign debt issues, its demand for Chinese exports will only go down. This has flow-on effects for Australia and the robustness of its export numbers both to China and beyond. It is in this climate that we must understand this year's budget.
There was from the Gillard government no economic narrative for growth and no evidence of a return to the fiscally prudent, yet effective days of the Howard and Costello years that produced two million new jobs, more than 20 per cent growth in real wages and the lowest unemployment and inflation in more than three decades, let alone the fact that they paid off Labor's $96 billion of debt and left more than $60 billion in the bank.

Alan Kohler, a former editor of the Financial Review and now a reputable economic commentator on the ABC, got it right when he described Julia Gillard and Wayne Swan's budget this way:

This is, at its core, a big taxing, big spending budget, including a big increase in welfare.

... ... ...

it is the budget of an unpopular Government approaching an election, not one that's tightening the belt. Unfortunately, for 23 million Australians, they need and deserve better than this.

Ms OWENS (Parramatta) (16:29): This is the fifth budget that I have spoken to, the fifth budget brought down by the Treasurer Wayne Swan since the election in 2007. I have to say, I am as proud of this one as I have been of any of them. We have governed in extraordinary times. I came to this parliament at the height of a boom that had lasted for 20 years. I walked in every quarter and heard the Treasurer talk about how the mining boom in China had delivered billions of dollars to the tax base—billions of dollars flowed into the tax base every quarter on the back of that boom. Then I watched a government spend it like a drunken sailor; I watched a government that said to itself, 'We've got a rich friend in China; let's have a party,' that did not build for the future, that did not invest for the future and that essentially frittered it away in the most appalling way.

We, on the other hand, have not governed in those times. In fact, we have governed through some of the worst global financial times in about 80 or 90 years—since the Great Depression. I have watched the government, with Wayne Swan as the Treasurer, handle those circumstances in quite an extraordinary way. It is no mistake that we are now in a country which—in spite of having $150 billion ripped from our revenues by the uncertainty in global markets, which made the job incredibly difficult—has a AAA credit rating from all the rating agencies for the first time in our history. It did not happen during the great boom years when money flowed in from China at a great rate; it actually happened in one of the worst times in a century.

We have more people employed now than at any time in Australia's history. Again, it did not happen through the boom years; it did not happen through 12 years of unprecedented boom that came from a boom elsewhere in the world; it happened in one of the worst times in this country. In other parts of the world the unemployment rate is twice ours. We have more people employed now than ever before in our history. We have inflation, interest rates and unemployment below five per cent for the first time in 40 years. Again, it did not happen in the boom times; it happened in the worst of times. We have the highest projected growth of any country in the developed world, and we are one of only two that managed not to go into recession in what was the worst of times.

These are things to be proud of. I would love to have been in government in better times actually, because it has been very tough for government and for many people in the country. But these are things to be proud of, as is this budget. Just as the government did the right
thing when things got very difficult, when the bottom fell out of investment, in the global financial crisis, and when it looked like construction had stalled altogether, we stimulated the economy as we should. In my electorate, we kept three per cent of the workforce employed on buildings in schools and public housing. That was three per cent of the workforce that we in my area all know would not have been engaged on other construction projects. So it was a great achievement to keep those people employed for well over two years while the construction industry began its recovery. It is still recovering now.

Now it is time, as the economy recovers, to bring the budget back into surplus. We are doing that through this budget. Again, it is not the best of times—not the most easy times to do it—but it is the right time to do it. In spite of that, and in spite of the extraordinary fiscal discipline that we had to show in bringing this budget back to surplus, we have provided quite considerable assistance to those who need it most. Again, that is something that I am really proud of: we have done the right thing for the economy as a whole but we have protected and looked after those in most need.

This is not a one-off for us. If you look at the record of the government over the last four years you can see how much of a difference we have made to people who are most in need of help. In my electorate alone, there are 1,335 local families who are benefiting from Australia's first ever paid parental leave scheme. That was delivered by us, again in the worst of times. We had 1,796 local families benefit from the baby bonus last year, and many of those families also received $500 more of their payment upfront to help pay for initial costs. The families of about 5,000 local teenagers turning 16 over the next five years will receive up to $4,200 extra in family payments if their child stays at school. There are 11,800 local family tax benefit part A recipients who may be eligible for an advance payment of up to $1,000 to help them meet unexpected family expenses. There are 7,211 local families who are now benefiting from Labor increasing the childcare rebate from 30 per cent to 50 per cent of parents' out-of-pocket expenses; we also increased the maximum payment to $7,500 per child per year. That has made a significant difference to many families in my electorate. I remember those years when I first came to parliament, from 2004 to 2007. I remember families being on waiting lists for a year or a year and a half and then finally getting a job three or four weeks after their child's name made it to the front of the queue and being told they had to either pay the child care, which they could not afford, or go back to the back of the queue. I had many, many parents in my electorate who were really struggling with finding a place back then, and things for many families are much, much easier now thanks to that increasing of the rebate. Those same 7,200 families now have the option of claiming their childcare rebate payment fortnightly rather than having to wait till the end of the year, and that makes it much easier for them to make ends meet.

There are 22½ thousand local pensioners that are benefiting from our historic pension reforms, including the biggest increase to the pension in 100 years. Single pensioners on the maximum rate are receiving an extra $154 a fortnight, and couples on the maximum rate are receiving an extra $156 a fortnight combined. Four thousand one hundred and eighty-seven local families have received an annual $600 carer supplement boost to assist with the financial pressures associated with caring for a loved one. Those who care for a child with a disability now receive an extra $1,000 per child a year.
Twenty-two and a half thousand local age pensioners can now keep more of their pension if they continue to work. They can now earn up to $250 a fortnight averaged over the year without it being taken into account as income under the pension income test. This is particularly important for those pensioners who return to work at a key time of the year—maybe at Christmas because there is more work around, or maybe leading up the end of the financial year because their skills are in accounts, or maybe because they work at a school for 40 weeks of the year. Being able to average their money over the year makes a significant difference to them. There are 581 local apprentices training in skill shortage areas who are being supported with $5,500 in total government support to help them complete their qualifications.

The Household Assistance Package is rolling out now. More than 14,300 local families will receive extra money through family assistance payments in the months of May and June—we are almost finished with May now. A typical family in Parramatta will get $529 through both tax cuts and family assistance payments. Thirteen and a half thousand family tax benefit part A recipients in Parramatta will receive up to $110 extra a year per child, and 11½ thousand part B recipients will receive an extra $69 a year per child. More than 1,900 families will receive an extra $289 per year in increased income support as well as assistance through increased family payments, and more than 22½ thousand local pensioners will receive an extra $338 a year for singles and $510 for couples combined in their pensions from May. More than 1,400 local self-funded retirees will receive an extra $338 a year for singles and $510 for couples combined from May. Job seekers have not been left out either. Nearly 5,000 local job seekers will receive an extra $218 a year for singles and $390 for couples combined from May. More than 3,000 students in Parramatta will get up to $177 extra per year, and the amount they get will depend on the rate and type of their payments.

There is also assistance coming through the tax system. Around 55,000 local taxpayers—which is a substantial proportion of the working population in Parramatta—will receive a tax cut on 1 July. Around 45,000 taxpayers will receive a tax cut of at least $300, and 5,000 local residents will pay no tax at all due to the tripling of the tax-free threshold. The average wage earner in Parramatta now pays approximately $1,200 less than in 2007-08 as a result of Labor's tax cuts for low- and middle-income families, and these are being delivered not in the height of a boom but at a time when the global financial crisis and global uncertainty has ripped $160 billion from our revenue base.

From July, Labor will put up to $500 into the superannuation accounts of 26,400 local workers earning up to $37,000. The minerals resource rent tax will increase superannuation for 54,900 local workers from nine to 12 per cent. For an average 30-year-old worker this will add almost $108,000 to their projected retirement income. From October, local dads and other partners in Parramatta will be able to apply for Labor's new dad-and-partner pay scheme, which begins 1 January 2013. In spite of the opposition's unwillingness to support the cut to the company tax rate, we have still managed to provide significant assistance to small business. To 19,800 businesses we will be giving an instant tax write-off for each asset purchase below $6,500. It is one of the many benefits to be delivered by the minerals resource rent tax. On top of this, the first $5,000 spent on a new motor vehicle will also be able to be written off.
The schoolkids bonus is also great news for families. Up until this year we have had the education tax refund, where parents could claim part of the costs that they spent sending their kids to school, but about 1,700 families in Parramatta did not claim that. There are a large number of people who have not been claiming that rebate, and in many cases they are the people who need it most. So we have replaced that education tax refund with a schoolkids bonus. There will be 9,050 local families in Parramatta who are expected to receive $410 a year for each child in primary school and $820 a year for each child in high school, totalling $9 million worth of assistance for Parramatta families. Those payments will be received as they are needed: at the beginning of the year and in the middle of the year. We will see those payments rolled out to families in my electorate in June. More than 14,000 local families will also receive an increase of up to $600 in their Family Tax Benefit Part A payments, and that increase will flow from July 2013.

We will also be delivering vital assistance to 13,000 local young people, single parents and the unemployed who are currently receiving allowances by providing cash payments to help with the cost of essential services like electricity, gas and water. Singles will receive a supplementary allowance of $210 while couples will receive $350. We are also nationally investing over $225 million over four years through the jobs, education and training childcare fee assistance initiative, which helps parents on income support receive the training and skills they need to return to the workforce. It is a particularly important initiative and one that I am very proud of.

I could continue for quite awhile with the budget benefits to Parramatta, but unfortunately I have run out of time. I commend the bill to the House.

Mrs ANDREWS (McPherson) (16:43): I rise today to speak on Appropriation Bill (No. 1) 2012-2013 and its cognate bills. For the last year we have heard that the budget would be back in black, but the budget papers show a very different story, with an artificial surplus and the government moving to raise the debt ceiling to $300 billion. Australian families are tightening their spending so they can reduce their overheads and make ends meet, but the government is increasing its credit card limit after a spending spree of waste and bad management. What was perhaps most disappointing about this year's budget to both me and many McPherson residents was that there were no measures whatsoever that focused on addressing many of the issues being faced by residents of the Gold Coast, Australia's sixth-largest city and the second-largest in Queensland. At a time when the Gold Coast is facing an unemployment rate that remains higher than the national average there has been no vision and no plan to help the many struggling families on the Gold Coast. Residents have taken note and are not impressed by this government's lack of interest in the Gold Coast.

Today I would like to speak about some key issues that affect McPherson residents. These are education and the possibility of establishing a fly-in fly-out operation at the Gold Coast Airport, the current state of the tourism industry and the need for better transport infrastructure on the Gold Coast, particularly the southern Gold Coast. I would like to begin with education. I am on record saying that the Gold Coast has the ability to become an education city and a centre for educational excellence in Australia. I wholeheartedly believe that. Work is well underway and has been underway for some time.

You do not need to go far to find the evidence of the Gold Coast becoming a future education city. Since the late 1980s the Gold Coast has seen four universities open their doors
to students; Bond University, Southern Cross University, Griffith University and Central Queensland University all now have campuses on the Gold Coast. The universities cater to thousands of students from both domestic and international markets. Consequently, they provide employment opportunities for Gold Coast residents as they hire a wide range of staff in areas such as academia, administration, groundskeeping, hospitality areas and, of course, technical support, just to name a few. Local businesses also benefit from their proximity to the universities and student accommodation, with students and staff alike spending money at these stores on a regular basis. These businesses become a hub for both students and people associated with the universities, generating more wealth within the local community. For instance, the economic benefits generated for the local community by Bond University and Griffith University amount to more than $1.6 billion annually, with over two per cent of the local workforce hired by one of these two universities.

The Gold Coast becoming an education city leads to my next point: the opportunity for the Gold Coast to host a fly-in fly-out facility. I note that the Sunshine Coast currently has chartered flights that fly out of its airport to various locations and that a new air charter company will be flying from bases in Brisbane, Cairns and the Sunshine Coast to areas in the Bowen Basin, Cloncurry, Weipa and Mount Isa. The Gold Coast can also provide fly-in fly-out services to regional areas and take advantage of the wealth that the minerals and resources sector creates.

I recently met with Brett Schimming, the CEO of Construction Skills Queensland. We spoke about a number of issues, including the skilled construction workers we have on the Gold Coast who are currently unemployed or underemployed and how these workers have skills that are easily transferrable to the mining and resources sector. We looked at opportunities and ways that we could enable construction workers to access jobs in the mining and resources sector so that the skills that these workers had could be maintained so that, when the construction industry picks up on the Gold Coast in perhaps two to three years, there would be a skilled workforce we could draw on to meet the demand for construction workers on the Gold Coast. A fly-in fly-out operation will provide an opportunity to address skill shortages in regional areas whilst reducing the unemployment and underemployment levels on the Gold Coast that have been caused by a downturn in our traditionally strong industries such as construction. Mr Schimming also explained that job applicants who do want to take advantage of a fly-in fly-out operation but are unable to due to the lack of necessary qualifications would then need to be able to turn to our local universities and our training providers. This would mean that universities and training providers would need to adapt and expand their courses on offer to reflect the demands within the minerals and resources sector, as well as to continue to provide their current standard of service to students. This will in turn result in more locals being hired to ensure the effective operations of those institutions, more businesses benefiting from the higher number of students in the area and more investment in the local community from the universities and training providers, who contribute back to the local area.

I would now like to address the issue of tourism on the Gold Coast. It is no secret that, because of the global financial crisis and the high Australian dollar, the Gold Coast's traditionally strong tourism industry has suffered and continues to suffer. At the end of 2011, domestic visitor numbers on the Gold Coast were shown to have fallen by six per cent from
the year before, and the number of holiday visitors also fell by seven per cent. Meanwhile, our international visitor numbers fell by 12 per cent. Because of the downturn in visitors, many tourism operators have hit tough times and are trying desperately to make ends meet. It needs to be remembered that many of the businesses involved in the tourist trade are not large international or national chains but are small businesses. Accommodation providers, restaurants, cafes, specialty stores and local tourist operators are all largely run by dedicated individuals who put in the hard work to provide a quality service to visitors and at the same time to put food on the table for their families.

Major events that are held on the Gold Coast, such as the Gold Coast 500, the Quiksilver Pro surfing tournament and Cooly Rocks On, provide struggling businesses with a much-needed injection of funds. However, events are held only once a year and do not provide continuous business over a whole year, especially at times when there may be a dip in the visitor numbers. Although the Commonwealth Games will do much good for the Gold Coast by bringing in visitors and building new infrastructure for the benefit of the local community, they are still six years away. Tourism operators need help now, but instead of giving them the helping hand they need the government is making things more difficult for them at a time when that is least needed.

The expected increases to the passenger movement charge will further deter international visitors, charging them more when they depart Australia. Also, overseas passengers who travel on domestic flights within Australia will have to pay more for their domestic airfares because of the carbon tax. Coupled with the extra expenses of accommodation and living expenses such as food and activities, the government is steadily making a visit to Australia too expensive. This is also one of the reasons why there is an increase in Australians holidaying overseas. It is not because they are bored with travelling around this great nation but because it is now as cheap to have a holiday in, for example, Bali as it is to have a holiday elsewhere in Australia.

Mr Frydenberg: Cheaper!

Mrs ANDREWS: Cheaper. However, the carbon tax is expected to result in the loss of 6,400 jobs in the tourism industry—

Mr Frydenberg: Shame!

Mrs ANDREWS: Yes, shame—and we just cannot afford that. The question that I ask is: how many of these jobs will come from my hometown, the Gold Coast, where there is already a high unemployment rate? The tourism industry on the Gold Coast cannot face any more challenges in the years ahead if we are to compete with cheaper international locations. We cannot afford a government which will continue to make that task more difficult.

I would now like to speak about a continuing concern of many Gold Coast residents, and that is the upgrade of the M1. To highlight the important role the M1 occupies on the Gold Coast, you only need to consider that the Gold Coast itself is constructed along three main thoroughfares: the M1 in the west, which links the Pacific Motorway south of the Queensland-New South Wales border to Brisbane; the Gold Coast Highway, which runs up the Gold Coast coastline from the border through to Labrador; and Bermuda Street-Bundall Road, which runs through the centre of those two roads. These three roads link the north of the coast to the south, and they are key in allowing our residents, our tourists and businesses
to go about their daily business. The M1 is the main route for freight vehicles and traffic heading to and from Brisbane and the surrounding areas. It plays an important role in the region's economy by ensuring that goods are received on time and by allowing residents to get to and from where they need to be in the most direct and timely fashion. In recognition of this, the Howard government in 2007 committed to providing $455 million worth of funds to upgrade the M1 between Tugun and Nerang. Yet with the ascendancy of the Rudd-Gillard government, it seems that the priority for this crucial piece of infrastructure has been downgraded.

Heavy congestion is still an issue up and down the M1, from Tugun to Nerang, with traffic stopping altogether during peak periods on the southern Gold Coast. On 21 March this year, I asked a question on notice to the Minister for Infrastructure and Transport about the M1. I asked the minister: (a) when will works commence for further upgrades to the M1 between Mudgeeraba and Tugun on the southern Gold Coast, (b) when are these upgrades scheduled for completion and (c) what sum has the government allocated to upgrades between Mudgeeraba and Tugun? In his response, which I received this morning, some 69 days after the question was put, the minister referred to the Mudgeeraba Interchange, the upgrades of the Robina and Varsity Lakes interchanges and the widening of the M1 between Nerang and Mudgeeraba. He then went on to say:

The full program of works is expected to be completed by late 2013.

However, there is no mention in his response of widening the M1 further south of Mudgeeraba, which is the full completion of the works, so his answer is clearly incomplete. I call on the minister to respond fully, openly and honestly to all the residents and tourists on the southern Gold Coast, who for too long have been ignored by this Labor government.

Mr Adams interjecting—

Mr Frydenberg: They won't, Dick.

Mrs ANDREWS: They did not. Many of my constituents, as well as many Australians across the country, are hurting financially. With rising fuel prices, rising grocery prices and rising electricity prices. What is disappointing is that this government, which should be emphasising the virtues of prudent spending and wise financial management, is addicted to waste and taxation. Since Labor was elected in 2007, Australians have been forced to endure 26 new or increased taxes, which will either directly or indirectly hit their hip pockets. When Australians are struggling enough as it is, it is unimaginable that a responsible government would do such a thing.

In 2010, the Prime Minister said that the government had lost its way. This government remains lost, with no reasonable prospect of finding its way. However, the coalition has a better way to get Australia back on track and to restore hope, reward and opportunity. I look forward to continuing to work with my constituents in the months ahead to ensure that the southern Gold Coast can continue to grow as the vibrant and strong community that it is.

Mr ADAMS (Lyons) (16:58): This budget's prime purpose is about spreading the benefits of the boom to all corners of our country by delivering much-needed new financial relief to families and businesses under pressure. It will return to surplus to provide a buffer in uncertain global times and to give the Reserve Bank room to cut interest rates further if it needs to. It will protect low- and middle-income Australians and our community's most
vulnerable with reforms like the historical first steps towards the National Disability Insurance Scheme, aged care reform and a blitz on dental waiting lists. Our interest, and my interest as the member for Lyons, is how this budget can help get better health and aged care, whilst still ensuring that there are jobs to go around to all.

Many people in rural and regional Australia have poorer access to health services than other Australians. Unfortunately, this results in poorer health outcomes. The Gillard government will seek to address this by building on our record investments in health facilities and buildings. Those living in rural and regional areas will benefit from 76 new projects under the Health and Hospitals Fund, including hospital redevelopments, community health centres, multipurpose services and dental facilities. To attract, train and retain permanent health professionals in the bush, accommodation for students and health professionals, including locums, will also be built and improved. If we are to attack the problem of ever-increasing costs in health care, then the key is to make our primary health more efficient and more accessible, giving the local communities opportunities to help themselves and their families. If we can keep all the minor problems dealt with at a local level, the hospitals will then be able to deal with the emergencies and chronic illness problems.

I have been working to ensure that my areas have benefited under these programs. I have already helped Sheffield Medical Centre set up a very efficient service, and two others are underway in the north, with Deloraine and Longford also developing expanded services. The funding of these communities will improve access to GPs and it is expected that the facilities will include general practice nurses and allied health specialists and have an emphasis on chronic disease care. Three other areas currently under negotiation are Sorell, Brighton and Bridgewater-Green Point. Greenpoint Medical Services will expand within the existing practice building, while the Sorell and Brighton councils will be working with local health service providers to deliver new health services and to attract new additional health professionals to the region. I am pleased that these later projects are shortly to be started; I have been seeking their establishment for the last few years.

I know that there will always be debate about savings measures, but we need to look at the broader perspective and how carefully targeted savings enable us to make some important, evidence based investments to improve the health system. A key example of the Gillard government's commitment to evidence based policy is the expansion of the National Bowel Cancer Screening Program. The program will extend to provide regular five-yearly screenings for people between 50 and 70 years of age. Consistent with the National Health and Medical Research Council guidelines, the program will further extend in 2017-18, when a phased implementation of biannual screening will commence. Bowel screening saves lives. Screening at regular intervals will pick up around 12,000 positive tests and save between 300 and 500 lives annually. This program does not have to take place in a main hospital; both this and the breast screening program can be delivered in a separate area using specialty trained staff—bringing it back to the local community.

Then there is dental health. It is a fact, sad but true, that around 400,000 people on public waiting lists, together with a range of people with limited means, have poorer dental health than their fellow Australians. Not only does this affect their health; poor dental health can also affect people in many other ways, including their confidence and ability to get a job or engage in many community activities the rest of us take for granted. In the budget, the Gillard
government is investing $515 million in foundation measures to support reform in dental care. An estimated 400,000 adults will benefit from a blitz on public dental waiting lists. This initiative is clearly focused on Australia's most in need: lower income Australians who have waited months, possibly years, for dental treatment, unlike Mr Abbott's poorly targeted chronic disease dental scheme—a complete failure. The dental workforce will also get a boost with 50 extra voluntary dental graduate placements and 50 new oral health therapist graduate placements. A new grant program will encourage and help dentists to relocate to regional and rural and remote areas. This is very good for Tasmania.

In addition, the Gillard government has allocated $10.5 million for national oral health promotion activities—such as 'Clean your teeth' campaigns. The government will also invest $8.2 million through the Health and Hospitals Fund for projects that will support new dental chairs and mobile dental clinics in regional areas. This is another plus for regions like mine. Another innovation which I believe is vital for modernising the delivery of health care is the introduction of e-health. I have already spoken on this earlier this year and pointed out that the introduction of the Personally Controlled Electronic Health Records Bill is to enable the establishment and operation of a voluntary national system for the provision of access to health information relating to consumers of health care. It will, firstly, help to overcome the fragmentation of health information, and we know what that is like. I heard the other day that the AMA is still holding out for something, saying that they do not understand the software. I would just like them to get on board and give it full support. In hospitals in Tasmania we still see orderlies rolling files on big carts around the aisles. It is 1950s stuff, but it is still going on. The fact that we have not been able to upgrade to an electronic system is a real issue and people ought to be looking at why it has not happened earlier. Secondly, it will improve the availability and quality of health information. When something is electronic much more information is available. How much could that help health care in this country? Enormously.

Thirdly, it will reduce the occurrence of adverse medical events and the duplication of treatment. When someone goes to a doctor and has tests but then a few days later sees another doctor elsewhere, the tests may have to be done again because no record can be transferred from the first treating doctor. It is known that in any one week, one in three Australian GPs sees a patient for whom they have no current information. More than one in five GPs faces this situation every day. To allow it to get to that point today is, I believe, an indictment on some of the professionals as well. We know that about two to three per cent of all Australian hospital admissions are medication related. This represents about 190,000 hospital admissions each year—costing $660 million—of which about 15,000 are due to inadequate patient information. I heard today that 46 per cent of Australians have literacy and reading difficulties.

The practical benefits of e-health are obvious. But the e-health journey is not one that will be completed overnight. It is not just a matter of, 'Flick on a switch and away you go.' During the last two years, the government have been building the foundations for the national e-health records system. And progress has been strong. We have been working hard to build the essential digital infrastructure—the virtual poles and wires—for the national e-health records system, ensuring a common language that will allow the different parts of our health system to talk to each other, connecting up our medical records, and connecting the computers of our hospitals, GPs, specialists and allied health professionals to each other.
Over the last two years, the government has also provided more than $160 million to general practices across Australia—to up to $50,000 per practice—to upgrade their computer systems for e-health. Government support has helped more than 96 per cent of Australian practices to get the IT they need for e-health—a percentage more than two times better than that of practices in the United States. That makes our GP workforce the fifth most computerised in the world. Now that many practices have most of the IT in place, we want to make sure government focuses its investment on the rollout and take up of e-health records. In the budget, the Gillard government is investing $233.7 million to continue the rollout of a national, secure e-health system.

Once the digital infrastructure is in place, patients will be able to register for their own e-health record through Medicare shopfronts and over the phone. Mums and dads will be able to register for their kids. When they are registered, patients will be able to go online to view their records and add a range of basic health information. This will include things like emergency contact details, the location of advanced care directives, allergies and medication. This will be a gradual process, carefully managed. As more patients and doctors register, more detailed features will be available as part of the record. Eventually things like immunisation records, Medicare and pharmaceutical benefits information, organ donation details, and hospital discharge papers will be able to be added. The budget should not be seen in isolation but rather as the next instalment in our investment in health reform. Health reform has been strongly focused on delivering a more evidence based, well-targeted health system. As many of you know, the Commonwealth is investing about $20 billion up until 2019-20 to improve public health services.

Significant funding will be paid to states where they have met targets for elective surgery and emergency department performance. These targets were developed with close consultation with medical experts, chaired by the Chief Medical Officer. We are also introducing activity based funding from 1 July this year, to ensure that all hospitals are paid in the same way, based on the services they actually deliver. The Minister for Health, Minister Plibersek, has been keen to increase transparency and accountability of those funding arrangements. The new arrangements will provide unprecedented transparency of Commonwealth and state contributions to our health and hospital system. All Commonwealth funds for public hospital services will flow through a new funding pool, enabling us to track where the funds go and how they are spent—more information for decision making. State and territory activity based funding for public hospital services will also flow through the funding pool. We will therefore know the relative contributions of the Commonwealth and state governments. No more shifting the buck.

Improved transparency of the performance of services at the local level is another critical element of the reforms. As you know, the National Health Performance Authority will use the measures and the standards identified in the performance and accountability framework to assess the performance of health and hospital services. This is real reform. As well as ensuring that innovative and effective practices are shared between local hospital networks and between Medicare Locals, the reports produced by the authority will help identify those that are underperforming to enable efficient performance management.

The final plank of the national reforms is safety and quality. The newly formed Australian Commission on Safety and Quality in Healthcare is already developing, implementing and
monitoring national clinical safety and quality standards. These standards cover safety, quality and appropriateness of clinical care. These structural reforms will provide the opportunity for greater clinical engagement in our health and hospital system through new devolved governance structures in local hospital networks and Medicare Locals.

The main areas of funding by the Commonwealth are around health and education. This government has delivered on this front very well. I am still getting thanks from many country schools in my electorate that benefited from the BER scheme, with upgrades that they have been seeking for decades. Health is the next area that really needs to be addressed and this government has the runs on the board and I know that it will happen. This budget delivers the promises Labor has made to look after those on low incomes, working families, veterans, pensions and seniors. I congratulate the government on achieving what they have set out, still having a surplus. A lot has been achieved, especially for those on low incomes.

Mr BUCHHOLZ (Wright) (17:13): I rise to speak on Appropriations Bill (No. 1) 2012-13 and related bills. I would first like to bring to the House's attention the noise that the government makes with reference to the current budget surplus. I remind the House that the surplus budget before us at the moment is an indicative figure of $1.5 billion, which they intend to reach at a period of time 12 months from 1 July this year. Because of the relatively small forecasted surplus budget of $1.5 billion, in order to test the authenticity or the integrity of this government's ability to forecast out 12 months, it is prudent that we go back 12 months and see what the government forecast this budget would deliver us in the way of a deficit. I remind the House that just outside the 12-month period, in the MYEFO period before the last budget, I think we were forecasting a $10 billion deficit. That increased from $10 billion to $22.7 billion. That in itself—a $10 billion 'just got it wrong'—is unfathomable. However, that is not all. From the $22.7 billion at the last budget through to the recent MYEFO figures, that figure increased to $37 billion that they were forecasting that this deficit would be. So we have gone from $10 billion to $22 billion to $37 billion, and more than likely on 30 June the deficit that will be delivered by this government will end up in the vicinity of $44 billion. So it would go from $10 billion to $44 billion. How could Treasury—the expert advisers to this government, who rely on the waves of support that they had to get these numbers right—have got it so fundamentally wrong, from $10 billion to $44 billion? Yet we are led to believe—they are leading this nation into a false sense of security—that in 12 months from this point in time they will deliver a $1.5 billion surplus. Time will tell.

I am not one to stand up here and bash the government on every front. Mind you, there is a heap of fodder, but the economy does have some strong indicators—figures that any nation in the world would be happy with. I am paying a compliment to the government on some of the strengths in the economy, because we have to be mindful in this House that there is a wider audience. It is not just this room; it is not just this nation. There is a global audience that looks on at Australia, and being a net investor of capital we need to make sure that we send a message to those capital markets that Australia has a strong footing. But I would suggest that one of the reasons that we have some of those strengths in those financial indicators is the position that the coalition left this government in financially. We had money in the bank. What a great place to be when it comes to dealing with appropriations! We had no debt. Again, what a fantastic position when going into a global financial crisis! The government take the position that we are the envy of the world. I would suggest that the government
would have been envious. We would have been the envy of the world on the figures that were handed to this government.

I would also like to bring to the attention of the House some of the comments made by some of those in the government with reference to spending as a percentage of GDP. The noises that are being made are along the lines that this government has a better track record on spending as a percentage of GDP. I thought that was quite interesting, so I went to the 2012-13 Budget Paper No. 1, and I went to the percentage of GDP payment. Surprise, surprise—in the last year of the Howard coalition government, our percentage of GDP was 23.1 per cent, and the year before that it was 23.4 per cent. When it comes to saying that this government has a better track record on spending, the papers themselves say that in 2008-09 Labor's spending was 25.2 per cent of GDP—increased payments over what we left. For the following year, 2009-10, it was 26 per cent. In 2010-11 it was 24.7 per cent, and in 2011-12 it was 25.1 per cent. None of those figures come anywhere close to our last budget on spending as a percentage of GDP. So I would just ask the House to be mindful of that when Labor colleagues of mine make the point that this is not a big-spending government.

I would also like to bring the House's attention to my concern with reference to the debt and the interest payments. You will often hear the rhetoric of the government saying that it is only 7.2 per cent of GDP or only eight per cent of GDP, or now nine per cent or whatever it is. I would use this analogy from the global financial crisis: the majority of those countries that are in trouble are now struggling to service their interest payments on that debt. I would suggest to them that following their lead of going and borrowing more money is not going to fix our problem. We are the envy of the world, and one can only imagine what they would have thought of the financial position of the Howard government when we had no debt and money in the bank. I bring the attention of the House to a recent paper by an ex-IMF senior executive who is now a Harvard law professor, Professor Ken Rogoff. He tracked Australia's spending and indicated that, per capita, after the GFC Australia had the highest rate of spending of any Western nation. One has to question whether or not we overdid our spending.

Regarding the appropriation bill, the real question for the Australian people is: can the economy and the finances of this nation, with the waste and mismanagement of the Labor Party, be managed better? Can we do a better job as a government? Can we do a better job as an opposition? Can the government do a better job managing the books? During times when we should have been prudent, has this government wasted money? I suppose you only need to look at the home insulation program. It was not the government's finest hour. In all sincerity, I pray that the residents of the 200 homes that were burnt to the ground as a result of that program have got their lives back in order. Then there was the outrageous overspending on the Building the Education Revolution program. In government, the opposition would have stimulated the economy, but we would have spent it in different sectors.

Mr Champion interjecting—

Mr BUCHHOLZ: I am more than happy for you to take these ideas on board. We have a number of gridlocks in our resources sector. You can understand the two-speed economy—

Mr Champion interjecting—

Mr BUCHHOLZ: Mate, you will get to have your chance in a sec. Muscle up and take this in because you are part of the problem. We would have stimulated the economy in a
different way. We would have invested in ports. We would have created jobs. Jobs needed to be stimulated. The BER did that, but I do not suggest that it was a great return on our investment. We could have created jobs with a capital investment that potentially had a return on the investment that had the capacity to service its own debt. Of course, there were the $900 cheques to dead people. That was a shocker.

On the subject of waste, recently $526,000 was spent on finding 11 ABC television directors. We cannot go past the $36 million on advertising the carbon tax that just forgets to mention the carbon tax. Then there is the government's management of the asylum seekers and our border protection. The list goes on and on. The set-top box program was something that I believe the government could have handled better. We had GroceryWatch and Fuelwatch—anything that the government set up with the word 'watch' after it could have been handled better. With the Australian Network tender, Sky won the tender but did not get the contract. Only under this government could something like that have happened. We heard earlier in the House about the $314,000 study to see if birds were shrinking. We had the $140,000 investment study to monitor the sleeping habits of snails and the $210,000 study on the early history of the moon. There is more; however, you get the idea. When it comes to managing the nation's finances, I am suggesting that it can be done better. You have to be blind Freddy not to think, even putting politics aside, that it could be managed better.

Let's talk about jobs. This government said that stimulating the economy was all about jobs, jobs, jobs. You do not have to take my word for it; have a look at what the growth rate was in the calendar year 2011. It was zero. For every job that was created, a job was lost. There were uncontrollable increases in the Public Service. Since the government came to power, there has been in the increase of 13,420 full-time equivalent positions. That is from page 654 of the budget papers.

Are Labor's policies driving growth? I ask myself that question with my hand on my heart. Are the policies that the Labor government is putting in place really driving the growth of the two-speed economy?

Let us have a look at the resources sector. I struggle to find anything that is driving the resources sector from the fiscal perspective. The real growth in that sector is coming from demand from our trading partners. With a population of 1.3 billion people, China's export markets are two main ports—America is about 20 per cent and Europe is about 22 per cent. Both of those economies have softened. So we are still picking up growth here as a nation on the back of China's domestic growth as we see a more westernised development of their 1.3 billion population.

This government are in trouble with the polls. Not all of us take a lot of notice of the polls. To dig their way out of trouble they are spending money, and they are spending money they do not have. That is not a prudent way to spend money. They are spending borrowed money and spending money that will hopefully come from the mining boom. I would just like to bring to the House's attention Twiggy Forrest of Fortescue Metals' comments the other day when he gave an address to the press gallery. He said the government's handling of the mining boom was not that dissimilar to a group of guys establishing that they had a Melbourne Cup winner, that it had potential in the way of a racehorse and that it had the potential to earn them millions and millions of dollars. But after it had run its first race, instead of getting the horse ready for the second race, they celebrated by eating the horse. I thought that was an
appropriate example of how external sectors of the market are commenting on Labor's handling of the resources sector.

Another interesting statistic with reference to the managing of the economy is the *Essential Report* survey conducted in May 2012. Asked which party they trusted to deal with another global financial crisis, most voters picked the Liberal Party at 42 per cent over Labor's—guess what?—25 per cent. Support for the government's economic management has collapsed this year because, when voters were asked the same question in 2011, Labor's support was 31 per cent compared to the Liberals' 40 per cent. Like I said, that is an open survey conducted by *Essential Report*.

I want to bring this back to the coalition's capacity to eliminate the waste, to eliminate mismanagement and, more importantly, in a two-speed economy to restore confidence to our manufacturing sector and tourism sector and get away from the internal Labor constant news cycle of who is going to be the leader this week. Can the economy be run better? Yes, it can. There is a heap of room for improvement.

Mr CHAMPION (Wakefield) (17:27): I have heard a fair bit of nonsense talked in this House but the member for Wright takes the cake. That was a truly extraordinary exhibition of ignorance, really. He talks about surpluses and carries on like a pork chop. Spain had a surplus like ours, but they adopted policies of austerity, not unlike the coalition want, where you do not spend anything, and it plunged their economy into recession. That is what happens when you do not have a fiscal boost in those times when demand falls away. That is why we did it.

He talks about ports. That is all very well and good. We all want to invest in nation-building infrastructure. For instance, in my electorate the government built the Northern Expressway, which is an expressway which goes from Port Wakefield Road to Gawler. That is a project that was fast-forwarded as a result of the troubles that we found ourselves in during the global financial crisis. But you cannot simply rely on those big infrastructure projects to pull you out of a recession because they take too long to get going. That is the whole point of them. We learnt this during the recession of the 1990s. That is one of the lessons we learnt. It is one of the lessons the Treasury learnt. That is why they said, 'Don't just go with big infrastructure spending; go with middle infrastructure spending, and embolden consumers and give consumers confidence by giving them direct payments.'

The member for Wright talks about the $900 cheques and attempts to discredit important consumer confidence building injections into the economy by saying they went to dead people. Never mind the fact that it happened under John Howard and it regularly happens with all government payments. They go to people's estates. That is what happened because it is unavoidable. What are you going to do—seize money from people's estates? That is the sort of nonsense they put about in this place. Then we have the set-top boxes. So what is he doing? Advocating that grannies—little old ladies sitting in their houses—should not be able to get digital TV? There was all of the nonsense that was put about by the tabloids when Harvey Norman admitted that it could not provide them any cheaper on the scale that we were talking about than anybody else. Then we have Fuelwatch. That was rejected by the Senate, mate. This would have been government policy now. It would have been in place but for the Senate, the other place, knocking it back. It operates in WA, and that place does not seem to have
fallen off a cliff. Fuelwatch was a very good policy. I stand by it. I would like to see it implemented. It is a good policy. It is in Western Australia. What would be wrong with that?

Then he starts banging on about a few scientific studies about the moon and about snails. We know what the coalition's policy is: it is to end the study of all science, because we know that they do not like scientific research, particularly on climate change. This is the thing. This is the sort of dark age that we are going to get out of the opposition—the fiscal austerity, which is now being practised in Europe and is a disaster. It has been practised in America by state governments, where they are sacking teachers and cops. They get themselves into exactly the same cycle that happened in the Great Depression, where you actually push economic growth further and further down and it exacerbates your debt position, exacerbates job losses and drives you into ever deepening recessions. This is the sort of nonsense that is put about this place. It is as if the coalition never heard of Keynesian economics. It is as if the Great Depression never existed. They say, 'Australia's just got a great economy, just for the sake of it—just for the hell of it.' They give no credit to Treasury, no credit to the country and no credit to lessons learned over 17 years, since the 1990s. It is complete nonsense. They say one thing: 'Oh, yeah, we'd support stimulus.' The reality is that, if you were faced with the same circumstances, you would have done exactly the same thing and, if you did not, you would have been throwing 200,000 people out of work. That is the reality of it.

I did not rise to correct the foolishness of the member for Wright. If I did, I would probably be here all day, so we do not want to do that. I want to talk about automotive manufacturing in my electorate. I know this is of great interest to my brother here, from Geelong. Indeed, it is of great interest to my home town, Elizabeth, as well. Holden has been a great success. Through the GFC we won the Cruze, which is a small car, and you can see the Cruze on streets all over the place. It is a great testimony to Australian manufacturing. That was done with government assistance. We won it at a time when GM in America was going into bankruptcy, sadly. They have now emerged from bankruptcy. They were supported by the government. A lot of conservatives over there were saying, 'Let GM go. Let it fail.' Now it is going gang busters. Now they have emerged from bankruptcy, a great American success story. We have the same success story going on in our own country. Basically, what the government has done through a $215 million co-investment, along with the Baillieu government and the Weatherill government in South Australia, is provide $275 million in co-investment to produce two new models and to guarantee Australian car manufacturing at Holden until 2022. That is a great good news story. It secures $1 billion in next-generation investment and $4 billion to the broader Australian economy. It is a terrific investment. I think these things should be celebrated.

Recently, we have had a lot of talk about exporting as the dollar has slightly gone down. We are starting to get a bit excited about exporting cop cars to the United States again. The dollar is the only thing that is stopping us doing that. Holden says that it has forged a new design and engineering partnership with China, of all people. Basically, Holden signed an agreement on 16 April 2012 with Shanghai General Motors and Pan-Asia Technical Automotive Centre to develop new vehicles and affiliates for the Chinese market. This is a fifty-fifty joint venture providing automotive engineering services, design, development, testing and validation for the Chinese market. Isn't that a success story in Australian manufacturing? That is the sort of thing—along with the Cruze—that we want to hear. I have
to say that I was never prouder than when I saw Wheels magazine. I am happy to show it to the House. It says 'Holden's BMW', the Torana, is back. That would be exciting news. I am sure everybody in the House would agree that we would love to see the Torana, a lightweight, rear-wheel-drive, turbocharged vehicle, charging up Bathurst again. That would be a pretty exciting thing for all the petrol heads out there, and I include myself among them.

We need to have a bit of a think as to what the alternatives are to co-investment. We know what the alternative is in this House: the Liberal Party are wedded to John Howard's policy, which is not to provide any support after 2015. Sophie Mirabella has reiterated this, and the member for Warringah, the Leader of the Opposition, has reiterated this policy time and time again. What will the effect of that be on the South Australian economy? I will tell you: it will rip $1.5 billion a year out of the South Australian economy. As it is a $1.5 billion cut, that is basically an attack on South Australia, a loss of 16,000 jobs in my state. A good number of those would be in the northern suburbs, because we have the factory. People work where they live.

That is from a reputable report by the University of Adelaide Business School—not a union and not some fellow traveller but the Business School at the University of Adelaide, which is a fine university. The report finds that 2,700 people are directly employed by Holden, and the company purchases some $530 million of goods from core local suppliers, which supports another 5,600 jobs, and that prompts extra employment in retail, transport, construction and other manufacturing around the place. We simply would not have the sort of design capacity, manufacturing capacity and engineering capacity we have now if we did not have Holden in the northern suburbs. It underpins our defence manufacturing and it underpins, I think, what will be our emerging mining services industry as well, hopefully, as the mines of South Australia slowly develop. We have had an exploration boom and we look forward to having a proper fully fledged mining boom. It is something that we want the problems of, if you like.

Recently, I wrote a letter to my newly endorsed opponent, Mr Tom Zorich—and I want to be on the record here as saying that I like Tom. I think he is a worthy opponent, and we have had a longstanding acquaintance—friendship even—through the Central Districts footy club, which we both support. Tom was a great president of the club; no-one can take that away from him. But many of us have found Tom's intervention in politics, and particularly for the Liberal Party, somewhat curious. I wrote him an open letter, saying: 'Look, Tom. Fair enough that you've joined the Liberal Party and become their candidate, but what are you going to do to get your party to back the co-investment into Holden Elizabeth, into Holden Australia?' It seems to me that that is a pretty important question for a local candidate to be able to ask about the major factory, the major employer, in the electorate.

Mr Cheeseman: Good question!

Mr CHAMPION: It is a fair question; it is a fair letter to send. I have not got a reply yet. The Bunyip, which is the local paper of Gawler—a very good, very dynamic paper, with interesting local issues—has picked up on the story. It has a bit of a reply from Tom. He accuses me of gutter politics for having the temerity to write to him. Then he goes on to say, 'The best thing we can do with the car industry is to drop the carbon tax that will add over $400 to the cost of building an Australian car.'

Mr Craig Kelly: It's a good start.
Mr CHAMPION: I will take the interjection. 'That sounds like a good start,' is what the member opposite says. But the fact is that the $400 figure is just plain wrong. It is garbage, like the member for Wright's previous speech. The fact is that it is based on a $30 carbon price and it does not factor in any of the industry assistance of the Jobs and Competitiveness Program or the $1.2 billion clean energy program.

Mr Craig Kelly: How much is it?

Mr CHAMPION: I will tell you the direct impact. The direct impact is estimated to be $40 per vehicle—$40! Oh my God—$40 a vehicle! Just to give you a bit of a perspective: every time the dollar appreciates by 1c, the price of a $25,000 car goes up $250. So it just gives you a bit of an idea about where Australia's manufacturing challenges lie: they lie in the high dollar. They do not lie in carbon pricing. My bet is that the carbon-pricing system is designed to reward efficiency. So I am pretty sure that if all these factories and all these suppliers have a good look at their carbon outlays they can lower that figure even further.

A big employer in my electorate, Holden, has now got a guarantee of producing two new models, guaranteeing production to 2022, based on a co-investment by the government. That co-investment is pretty important and it is pretty important that Liberal candidate Tom Zorich actually backs the government and gets in the ear of the Leader of the Opposition and in the ear of his colleagues Mr Briggs from Mayo and others, to try to get them to back the car industry. I know it is hard for him but that is the challenge for him at this election: to get them to support the government's policy. A difficult problem, I think, for his candidacy. But it is terribly important for the local area, because we need car manufacturing. It is the heart of Elizabeth. It is why I spent a lot of time, along with my colleagues in this place, talking to ministers, lobbying ministers and making sure they understood the importance of this industry to South Australia. It is a critical industry for South Australia. We cannot get by without it. It is a critical industry for Australia. It is important that the guys who want to buy utes in Queensland have an Australian choice. It is important that New South Welshmen and those in WA can buy an Australian made car. That is an important thing—to have the Australian choice. There is not a car on the roads these days that is not taxpayer supported. It is just that some are supported by German taxpayers or by South Korean taxpayers or by Chinese taxpayers.

So let us not hear this argument that this is somehow about competitive markets. Every country that produces cars provides support, and often they provide more support than we do. This has been a good policy. It has supported employment, it has supported manufacturing, it has supported exports, it supports Australian success and it should be backed by the Liberal Party. I hope they come to their senses. There would be nothing that would please me more if this were not an issue at the next election, if this were an issue of bipartisan support for the Australian car industry. That is what I want and that is what I would ask my Liberal opponents, both those opposite and locally—Tom Zorich—to do.

Mr CRAIG KELLY (Hughes) (17:42): I rise to speak on the various appropriation bills of 2012-13. Where does one start with this budget? Perhaps the best place to start is with the current financial year. Twelve months ago the Treasurer stood in this very parliament and forecast a $22 billion deficit. Last week we found out it was only out by 100 per cent. The actual deficit for this financial year has actually ballooned to $44 billion. So what went wrong?
Then we can move on to this year's budget, which is being sold under the political spin of returning the budget to surplus. We have heard that over and over from speakers on the government side. We all know this wafer-thin surplus is a mere illusion achieved through nothing other than accounting tricks by bringing expenditure forward and shifting it backwards, and the smell of cooked books is still wafting around the corridors from budget night. Even the chief of CPA Australia, Alex Malley, heaped insincere praise on the Treasurer when, on budget night, he declared that 'accounting chicanery was the winner tonight'.

Let us just assume that this government actually achieves the $1.5 billion surplus, which I note SportsBet think is a very long outsider. We have to also look at the previous four Labor budgets. Those four budgets have a cumulative deficit of an amazing $174 billion. So, even if this current budget forecast of $1.5 billion is correct, even if that is achieved, the legacy Labor will leave this country, after five budgets, is a cumulative deficit of $172.5 billion. Try to visualise $172.5 billion. It is such a massive sum. Think of a stack of $100 bills spread out across a standard sized pallet, with the bills adding to $100 million. You would need 1,720 pallets to get to $172½ billion. Those pallets, stacked high with $100 bills, would reach 2.4 kilometres into the sky. That is how much debt this government has gotten us into. Of course, then we had the change to the debt ceiling. When this government came to office our debt ceiling was at just $78 billion. But after four years that had been increased by another $172 billion. And at this budget, although the government is claiming to run a surplus, they need to borrow another $50 billion, which will push that debt ceiling to an incredible $300 billion.

What does this debt mean to the average Australian citizen? According to the figures in the budget papers, over the next four years, because of the debt that Labor has run up with their reckless spending, Australia as a nation will be forced to pay $28.9 billion in interest alone on the debt—most of it going overseas, to foreigners. That $29 billion in interest payments alone is $1,300 for every man, woman and child in the country, or an addition bill, on top of everything else consumers will have to pay over the next four years, of $5,200—courtesy of the economic management of this government. That is the bill they will get in the post.

Remember: to pay off at the current rate the combined deficits of the last four years of Labor and deliver this great surplus of $1.5 billion, we would have to repeat that for no less than 116 years. That is the task that we face.

How have we gotten into such a mess? I know it has been well canvassed. Some of it has been because of studies funding, such as $145,000 for a study into sleeping snails. Of course, we had the $300,000 for a study to see if climate change is making Australian birds shrink. That is just the tip of the iceberg. It appears the way to get a grant from this government is to mention the magic words 'climate change'. Following are a few other studies that this government has thrown money at. A quarter of a million dollars, $250,000, has been given to a study on the future of trade unions and how trade unions can contribute to an environmentally sustainable world. A grant of $192,000 has gone to a study for the role of emotion and reality in sending and responding to messages about climate change.

More money has been thrown away, $185,000, to produce a new autobiography on Labor opposition leader HV Evatt. Of course, such an autobiography might be very interesting, but to make sure the grant was given, the subject is to be 'how his life resonates with modern
challenges … in a time of global warming’. What has Dr Evatt got to do with global warming?
That seemed to be the secret to getting the grant. Another $122,000 was given for a study of rural communities in South Australia as to how they would adapt to the health challenges of climate change—and yet the hottest day ever recorded in South Australia was on 2 January 1960.

There is another great study here: $380,000 for modelling the mechanisms causing the observed increases in the rate of melting of Antarctica's ice shelves. The only problem with that is that the Antarctic ice has been growing for the last 30 years. We have a study to try and work out observed increases in the rate of melting. In fact, even in the Bering Sea, in the Arctic, we have had record sea ice. Half of the fleet that we see in Deadliest Catch have been held up in port for a record time. Then, of course, we have the Department of Climate Change and Energy Efficiency themselves. In those government departments we have 118 bureaucrats who are on a salary between $280,000 and $700,000 a year. And we wonder why we are in such debt.

But the studies go on. This government has thrown $85,000 to a study of garden statues in the Renaissance garden and $65,000 to a study to examine who actually reads Tom Keneally's books. They are very good books, but do we need to spend $65,000 of taxpayers' money to find out who reads them? This is a beauty: $60,000 for a study of Marxism, religion and the relationship between theology and political radicalism. Here is another one. This is perhaps my personal favourite. There is $180,000 for a study to rethink the history of Soviet Stalinism, to provide a sophisticated understanding of the complexity of Stalin's Russia. Surely this $180,000 will be well spent. It could show that Stalin was a good bloke, merely misunderstood! Here is another one: $164,000 has been thrown to a study of magic spells and rituals from the second century BC to the fifth century AD to achieve success in personal relations. The list goes on and on.

There is another good one here: a study of the life and times of musical artists, bands, managers, recording studios and relevant radio programs since 1945 in Western Australia. They have been thrown $120,000 of taxpayers' money. Remember, this is money that we do not have. This is borrowed money, because this government continues to borrow $100 million a day to finance these schemes. Every single hour for the last four years our nation's debt has grown at a rate of $4 million. There is another lovely little grant of $72,000 to hold 'enviro tea salons' where participants will debate climate change and the carbon price in Arabic, Mandarin, Cantonese, Dari, Hindi and Dinka. Participants will be encouraged to take part in activities including quizzes, chalking, candle making and calligraphy, all in a politically sensitive environment. This is more waste of taxpayers' money, and it goes on.

There may be some commuters out there listening to this on the radio while they are stuck in gridlock traffic. I am sure they will be very excited to find out that this government is spending $160 million of taxpayers' money to build a new bridge. The only issue is the bridge is being built across the Mekong River in Dong Thap province in the Socialist Republic of Vietnam. I am not making this up. It goes on and on and on.

One of the great things we have heard the government taking credit for is the delivery of the National Disability Insurance Scheme. I think it is worth noting what the Carers Alliance have said about the National Disability Insurance Scheme announced in the budget. If anyone
knows about the difficulty of caring and what we need under a National Disability Insurance Scheme, the Carers Alliance are first and foremost. I quote from their press release:

In the cold light of day Budget Night was Fudge it Night for people with disabilities and their families … the government's proposal for implementing the National Disability Insurance Scheme is a sad, poorly executed hoax pulled on those Australians with a severe dependent disability …

The Budget provides for just over $85 million a year for individualised packages for people with significant disability, while about $164 million a year is set aside for more fatcats, technocrats …

They conclude:

It is fanciful to claim this version of the National Disability Insurance Scheme as historic when in reality the Gillard government has squibbed …

They are the words of the Carers Alliance. Then we look at issues where this government has actually cut spending. We see that our defence budget has been reduced in real terms this year by 10.5 per cent. That is the largest year-on-year reduction since the end of the Korean War. As a result, our national defence spending as a percentage of GDP will now fall to 1.56 per cent, the lowest we have had since 1938. The only thing we had missing in this announcement was the Prime Minister standing up and declaring 'peace in our time'. As Babbage Smith, the government adviser and author of the 2009 defence white paper, said about these cuts, 'We're going to be in real trouble for at least 20 years. We won't have the ability to defend ourselves.'

Many of these instances of waste should be put in a museum. Our future generations need to understand how we have ended up in such a mess and how we have gotten in such debt. But it was very nice to know in this budget that the government has handed out 1.5 million taxpayers' dollars for a new Islamic Museum of Australia. This is all very nice, but it sets a precedent. I have already had members of the Australian Coptic Church asking where their grant to build a Coptic museum of Australia is. Now we have set this precedent, in the future are we going to give every religious group taxpayer-funded money to have their own Australian museum? These are the problems that we get in.

Another issue of waste and mismanagement by this government that I would like to raise is the ACCC's pursuit of Metcash. The Metcash takeover of 80 Franklins stores, as anyone in the industry understood, would have increased competition, but still we had the ACCC trying to take this to court to block this takeover. Even Justice Arthur Emmett dismissed the ACCC's case in August, saying the deal was likely to be pro-competitive because it would help Metcash, Australia's largest independent grocery retailer, to compete more effectively against Coles and Woolworths. But we had this government spending $16 million of taxpayers' money to try to stop this competitive merger.

Finally, in the time left, in my electorate we have seen $900 million being spent on the Moorebank intermodal. This is a mega-intermodal project. The residents are actually getting the worst of both worlds. This is a mega-intermodal. We are spending $900 million merely to relocate—not actually to get it but simply to relocate—the School of Military Engineering. It is opposed by every stakeholder, except of course the infrastructure minister and his department head, Mike Mrdak. (Time expired)

Mr WINDSOR (New England) (17:57): Madam Deputy Speaker, thank you for the opportunity to speak on Appropriation Bill (No. 1) 2011-2012 and the other appropriation bills. There are a number of things that I would like to say, but I was just reflecting on the last few minutes of the former speaker's contribution. I will move on. I think one of the things that
we should reflect on as a nation and as a parliament is that we do not develop this 'poor bugger me' political view of ourselves. Irrespective of who has been in government for the last decade and a half or more, we have lived in an extraordinary country and we still do. I know this message is a political message, and it is saleable out there; fear is always the most saleable commodity in politics. But I think we have to be a little bit careful that we do not market fear and down-sell our country.

Everybody can find good and bad in budgets and the appropriation bills. I can do that. I could speak for 15 minutes on bad bits, or I could speak for 15 minutes on good bits. But, if you look at how others look at this country in terms of how they judge an economy, they look at this country as being extraordinarily lucky, and this country is extraordinarily lucky. They look at our inflation rate, our interest rates and our unemployment. If you look at Europe, the US or other parts of the world and their unemployment compared to us, we say we are extraordinarily lucky. In historical terms we are extraordinarily lucky. Even today, the main debate in the House has been about guest workers. That suggests to me—and I have some issues with that policy line—that we do not have enough skills in the country. So the economy cannot be in bad shape. There are patches of it that are. They need to be identified, obviously, and where possible they should be rectified. But that does not mean we should put in place absurd policies just to placate the politics of the day.

The minerals resource rent tax package is an attempt, in my view—and others will disagree, particularly on the coalition side—to share part of the largesse across those sectors of the economy that are not benefiting from the mining boom. The mining boom is a good thing; no doubt about that. It creates a whole range of economic and other activities. But it has adverse impacts as well. The high Australian dollar is one of those impacts. The value of the dollar has a direct relationship to the mining boom. I do not think anybody actually denies that, but there are others in the economy who are wearing that burden, whether they be in the manufacturing sector, the agricultural sector or the tourism sector. They are wearing some degree of pain because of the high dollar. If the mining boom stays around—and I think most people suggest that it probably will—there will be a transition within the economy in those other areas. In my mind it is an acceptable thing to utilise some of the moneys from the minerals resource rent tax to try to impact on those who are impacted by the high dollar and other competitive aspects, some within the skills area, created by the mining boom.

Mr Deputy Speaker Oakeshott, it is a great privilege to be able to speak in front of you—and in front of this large gallery! Before you came in, Your Eminence, I was discussing what a lucky country we are and that we have to be careful that we do not develop this 'poor bugger me' attitude to our nation. We have an extraordinary nation. And to use fear and misinformation to downplay our nation is something I think we all should avoid. Regrettably, we do not all avoid it. We tend to look for the negatives more than the positives. But let us look at the debt-to-GDP ratio. A lot of people, including the previous speaker, the member for Hughes, talk about the legacy of debt—that this government has got the country into a dreadful state through this legacy of debt. Our debt-to-GDP ratio is probably—along with that of Norway and two or three other countries—among the lowest in the world. It is something the rest of the world would look on and envy. I did agree with a couple of things the previous speaker said. There is nothing wrong with debt if it is used to advantage the nation.
I look with interest at how perception works in politics. The New South Wales government has recently changed. They had 16 years of Labor government there, and it changed. It probably should have changed after 12 years, in my view, or maybe even sooner. But it did change. The perception was that New South Wales was broke. If you had gone into the street then—and probably if you did now—and asked anybody, 'How's New South Wales going?' they would say, 'Not good' or 'broke' or 'that Bob Carr fella'—and a few others: the Mafia people or whoever they were in previous New South Wales governments. They would say, 'They broke the state.' Peter Costello suffers from the same disease as Michael Egan, who was Treasurer for a large period of that time: they ran surplus budgets. If you went into the street and said, 'What's New South Wales like?' people would say, 'Oh, well, the Labor Party'—and they are still saying it. Barry O'Farrell, who is a friend of mine, is still saying that the Labor Party ran the state almost to exhaustion. In political terms it probably did, but in economic terms it did not. For 15 out of those 16 years, it ran surplus budgets. The debt accumulated in New South Wales is quite small—one budget—whereas, in Queensland, the state of opportunity et cetera, there is a debt almost half the size of the national debt. There is a different perception. Campbell Newman picked up on it a bit towards the end, and probably it became a factor in that election.

The point I am making is about perception. To his credit, the Leader of the Opposition has created a perception of chaos, mismanagement et cetera. But, in terms of our relationship with the globe, we have to be very careful that we do not down-sell our nation, particularly given the massive expansion of the resources sector and the obvious need for overseas capital.

In the appropriation bills—and I will be supporting the legislative documents that are going through the parliament—I was very pleased to see that the regional Australia components of the agreement on the formation of government with the current Prime Minister held in place. They are good agreements. There are a range of significant regional packages. Like you, Mr Deputy Speaker Oakeshott, I am very proud of the Health and Hospitals Fund ring-fencing—100 per cent for country people, $1.8 billion. Dozens and dozens of health services in the country have received assistance that they never would have in the past. Traditionally, country people would have got about 20 per cent of the Health and Hospitals Fund. There is a similar thing in the education infrastructure fund: half a billion dollars which will go towards higher education, TAFE et cetera in country areas.

As you would remember, Mr Deputy Speaker, both the current Prime Minister and the current Leader of the Opposition during that 17-day period admitted that regional Australia had been neglected by previous administrations. The agreement to put in place regional packages that would address some of those issues is part of that reconciliation, in a sense. I thank the Prime Minister particularly—and the Minister for Regional Australia, Regional Development and Local Government and other ministers as well, but particularly the Prime Minister—for adhering to that agreement. There has been much said in recent weeks over the Craig Thomson business and some other issues. It has been said that the Independent members should suddenly walk away from this particular parliament. The agreement that I struck with the current Prime Minister has held solid, and I presume it will into the future as well.

There are other issues that I think are important in this particular parliament. One, looking forward, is education and the Gonski report. I think we have an extraordinary opportunity. I
congratulate again the current minister, Minister Garrett, because I think he is taking the correct approach to this. He is not trying to grandstand on it; he is trying to take people with him, and I think until recently he has been able to do that. I have been saying to the public system, the private system and the Catholic system: this is not the time to go back and look at the old divisions. There is an opportunity here to move this thing forward—to move past the old political or religious divisions. We have to grasp that. The people I have been speaking to in the three systems, particularly in country Australia, can see that opportunity. I see the infancy of politics and division starting to creep in, the little bits that I have seen mainly driven at the city level, which has traditionally controlled the politics of education.

My challenge to the three sectors is to work together to get a package that does work. To the credit of the current New South Wales minister, Adrian Piccoli—and I do not want to verbal Adrian; I was in parliament with him and know him quite well—he is one of the state ministers who is actually looking beyond the politics of old. If that is the case, I congratulate him and Barry O'Farrell, the Premier. This is a time for leadership in this issue. Education is paramount. How it works for those who are disadvantaged and those who are disabled will underpin the advantage that all our children should receive in education. In recent years, some very important assistance packages have been developed, including national partnerships arrangement assistance packages to country schools. The Gonski report in a sense would put those packages in a different, more easily explainable form, whether it be in the city or the country or to rich kids or poor kids. I make this plea: all of us should try and look beyond the politics. Do not use the Gonski report as one of the weapons to create fear in the minds of certain people. Use it as a positive to create something that we can all be remembered for. I encourage those not in this building who are involved in the private, public and religious education systems that this is an opportunity to show real leadership, get this right and back it in. There were a number of other issues that I wanted to speak about, but time does not permit.

Mr ALEXANDER (Bennelong) (18:12): I rise to speak on these appropriation bills with a sense of dismay that can only be placated by a sense of humour. When going through the budget papers presented by the Treasurer a few weeks ago, sanity could only be retained through the exercising of the need to laugh. But budgets should not be a joke. Many years ago, Dean Martin had a hit called Welcome To My World. In this romantic piece of fiction, the words 'Miracles, I guess, still happen now and then' may have provided the source of inspiration for this year's budget from the Treasurer. This budget welcomed us to 'Wayne's world'.

There are many parts of the budget that deserve analysis, some of which have received considerable treatment already by my colleagues the members for North Sydney and Goldstein. Within the time constraints of this speech, I shall focus on a couple of others. The first thing that strikes a reader of the budget is that this is a Labor budget—a deception; an attempt to present a good story yet hidden beneath the surface is the bad news. The beauty of this budget is indeed skin deep, a very thin and transparent veneer. The fundamental deception is the movement of money from one financial year to another in order to create the perception of an artificial surplus. The Australian people are smarter than this government gives them credit for and they understand that a surplus built on the foundations of a $44 billion deficit in the preceding year is truly a surplus barely worthy of the paper it is written
on. This budget is a political document, not an economic plan for our nation's future. The government focuses attention on what it is good at: vote buying. They showed in last year's budget, when the members for Lyne and New England were specifically named five times as recipients of the generosity of our money—government bought with our money. Of course, the government does not always pay the price they say they will; the member for Denison would attest to this. They take delivery of the goods but do not always pay the bill. Are these the qualities that we expect in our leadership? Are these the foundations on which we can build our future economic security?

As the shadow minister for families, housing and human services so eloquently stated, this is more of a 'fudge it' than a budget. A striking example of this deception and vote-buying is the government's proud announcement of the so-called 'schoolkids bonus'—a prime example of the type of creative accounting undertaken by this government to try to buy votes. The government's decision to dump the Education Tax Rebate, a targeted program that provided genuine assistance to relieve the costs of education for parents, was covered up by the announcement that they are generously giving away handfuls of taxpayers' money, yet again, just like under the member for Griffith, in a desperate bid to improve their electoral stocks. Yet another example of when something is working well, like our immigration policies, and yet changed for political reasons that end in an economic disaster. It seems that the government that was accused, after making their deal with the Independents, as being 'the best government money can buy' has now focused its attention towards 'the most votes money can buy'. Yes, Mr Treasurer, I agree that 'this is a Labor budget down to its boot straps': replacing a targeted program of reimbursement that provided certainty that the nation's money would be spent on our nation's schoolchildren, to a traditional Labor program that invites bad spending compounded by waste. This is the same DNA as school halls and pink batts. Now everyone in this country knows that the new scheme is a cobbled together desperate act to distract voters from the carbon tax hit to their cost of living, which will start in five weeks and then keep going up and up year after year.

Our government often promises transparency and now after a few semesters at the college of Labor it is easy now to see through their words to gain clear insight to their real policy purpose: policies solely designed to survive the moment, policies that will inevitably attract greater economic hardship. The government claim that these budget measures are about helping people who are doing it tough—a noble sentiment from our nation's Treasurer. However, I must ask the question on everyone's lips: if you really care about the cost of living, about people doing it tough, why are you introducing the world's biggest carbon tax that will have the single biggest effect on the cost of living for all Australians and bring about no improvement to the environment?

The schoolkids bonus has actually abandoned any pretence of being about offsetting education costs—it is simply a sugar hit for families to create a diversion from increased bills and costs that will rise just for going about their everyday lives. This is Kevin from Heaven's $900 gifts all over, mark 2. However, the real mark 2 was a fine Jaguar; this cash is for a clunker. Labor members are recklessly promoting this measure by saying that families will be eligible 'even if they lose their receipts'. This means every eligible family will get this cash handout, whether they have spent or even intend to spend the money on their child's education. They can spend this so-called schoolkids bonus on anything they like. Does this
sound familiar? Remember the $900 handouts, commonly known as the plasma television grant? This was paid to dead people, pets and Australians living overseas and only 14 per cent of that money went to positive causes. What we are seeing here is a removal of the cash incentive for parents to invest in their children's schooling needs, instead buying parents off with the sugar hit. Ultimately this will not assist our school kids. This policy treats the parents like spoilt children: 'Darling, don't worry if you lose your receipts or if you didn't even spend the money or don't intend to spend the money, you can spend it any way you like. There, there!' This takes away the demand for responsible behaviour and replaces that demand with temptation. As Mae West famously said: 'I can resist anything but temptation.' This country needs a government who will govern in the best interests of the nation, not govern in the hope of a budget bounce in the polls. It is that short-term governing for the sake of self-interests and faceless powerbrokers that we saw in New South Wales and Queensland. Australians would have hoped by now that Labor had learned the lesson that sugar hits do not work. Just like when you give lollies to your kids, they may have a quick burst of energy, but that decision will come back to hurt you later.

This government is treating the electorate like children and then becoming confused when the voters have a tantrum. This policy rollout offers many similarities to last year's disastrous response to live cattle exports when we saw the farcical situation of a government suspending a major export activity to one of our region's most important partners, with no consultation. Why? Because of an episode of a current-affairs show. Is this really the way to implement policy? This poorly thought through knee-jerk reaction resulted in cattle being forced to suffer whilst stuck in the sun and heat of the Darwin docks and diplomatic relations with our closest neighbour being further strained.

Pages 8 to 12 of Budget Paper No. 1 commence 16 pages of the government's unquantifiable liabilities. One of these states:

The Australian Government may become liable for compensation following the decision by the Minister for Agriculture, Fisheries and Forestry to suspend the export of livestock to Indonesia for a period of 1 month in 2011. A potential class action has been received from a law firm on behalf of 21 clients.

So the government has very effectively punished a local industry, caused untold suffering to our cattle, damaged diplomatic relations, and is now likely to impact our collective back pockets as the subject of a class action from our own farmers! You can only conclude that it is not just this issue, or the other 16 pages of issues, but it is this government that is an unquantifiable liability.

As so many residents of Bennelong and voters from across the country have told us, the sooner we can get rid of this unquantifiable liability, the sooner we can get our nation back on track. This will happen through better policies, through strategies that are thought through, that are based on consultation and experience to ensure the best-quality outcome for all involved. With live exports this would be through partnership with Indonesia to provide assistance and support to implement the animal welfare standards that we aspire to, so that those standards can be applied not just to Australian cattle but to all of God's creatures that are processed in Indonesia. This is not the policy of a quick headline but the policy for a genuine and quantifiable result.
Another area where this government has chosen spin over substance is its refusal to say the words 'carbon tax'. Instead we have a price on carbon, as if that will lessen the injury caused by this tax. And I purposely use the word 'injury' as it is only for the causing of injury that one needs to pay compensation—a word this government seems very willing to promote. So I thought for a moment that I would follow the government's logic: the price on carbon will be an everyday financial impost, much like the price on goods and services, also known as the goods and services tax. You will pay for this after you have paid a price on income, commonly known as income tax. Or if you wish to help out those less fortunate you can make a donation to a price-deductible gift recipient and therefore reduce your price on income. Of course, if it all gets too much and you need to sell your house you may also need to pay a price on capital gains. Perhaps next budget the government should develop a price on spin. Now that would keep the bean counters in Treasury very, very busy.

But they are used to being busy. After all, in this budget the government announced that this year's budget deficit—or perhaps they will now call it a 'nonsurplus'—has sky-rocketed from $12 billion to over $44 billion. This is purely and simply a result of poor economic management and an attempt to cook the books to make next year's numbers look less sickly. If this kind of creative accounting occurred in the private sector, there would be some serious questions asked.

To top it off, this government is increasing the nation's credit card limit by a lazy $50 billion. I ask members of this government to sit down at any kitchen table in the country and try to explain to families that increasing your annual expenses by a factor of four and increasing your credit card limit to avoid maxing it out is quite okay as long as the next year you come out just ahead—the fact that $100 million is being paid out every single day in interest is, of course, irrelevant!

Governing our country should be carried out with the highest levels of integrity and honesty to gain for Australians the highest degree of economic security that can be achieved. Cheap tricks and hastily moving payments to this year to achieve a better result next year only achieve a deeper loss of trust in the integrity and honesty of this government. Our leader often reminds us of the need to be the adults in the room; here we need to be the adults who have become responsible parents.

Families know that increasing the credit card limit to an all-time high and piling more money onto the credit card do not make for good balancing of a budget. Australians will not be fooled by this budget. They know that the Prime Minister is not interested in helping families and is only interested in keeping her job. She is the keeper of our nation's unquantifiable liability, and one can only give her an F for fail—or, if you want to keep your sanity, just laugh.

Debate interrupted.

PRIVATE MEMBERS' BUSINESS

National Year of Reading

Debate resumed on the motion by Mr Adams:

(1) recognises that 46 per cent of Australians do not have functional literacy to enable them to undertake more than the very basic tasks, and that it should:
(a) give recognition to and acknowledge the importance of the National Year of Reading 2012 as demonstrated by the attendance at the launch by the Prime Minister, the Minister for the Arts, and the Minister for School Education, Early Childhood and Youth;

(b) congratulate all of the people and sponsors involved in setting up this National Year of Reading;

(c) aim to raise the awareness of all Australians to understand the benefits of reading as a life skill and a catalyst for well being through supporting this program;

(d) help to promote a reading culture in the home through this program, and

(e) assist to establish an aspirational goal for families, or parents and caregivers to share books with their children every day; and

(2) encourages all Members to participate in promoting the annual National Reading Day in their communities, schools and libraries.

Ms HALL (Shortland—Government Whip) (18:26): I speak in support of the motion of the member for Lyons, and in doing so I acknowledge the fact that if you have not acquired good, strong reading and writing skills it can affect you throughout your life. In a previous life I worked with people who injured themselves at work, and, once they had injured themselves at work, if they did not have the ability to read and write effectively or did not have good numeracy, it impacted on their ability to find work in the future.

This government has as a priority investing in education, and one of its highest priorities has been to improve national numeracy and literacy. Every Australian has access to a world-class education to reach their potential. The government has invested over $65 billion in schools over four years—double what the coalition government spent in their last term.

Mr Deputy Speaker Oakeshott, I am sure you would be aware of the impact that the extra money has had on schools in your electorate. Under the Smarter Schools National Partnerships program there is $2.5 billion in three smarter schools national partnerships. There is also the Literacy and Numeracy National Partnership, which has really benefited those students in Shortland electorate who are disadvantaged in one way or another.

It is only right that I share with the House just how many schools in Shortland electorate have benefited from the government's programs. They are: St Brendan's Catholic school at Lake Munmorah; St Pius X Primary School at Windale, which has the lowest SES of any school in New South Wales; Gorokan Public School; Gwandalan Public School; Lake Munmorah Public School; Mannering Park Public School; Windale Public School; Gateshead Public School; Gateshead West Public School; Northlakes High School; and Northlakes Public School. All these schools have a significant level of disadvantage and students who struggle with literacy and numeracy, and all these schools have benefited from the government's extra investment in literacy and numeracy. This government is about ensuring that all students have the opportunity to have a good start in life. I would like to refer to the other important aspect of this motion, and that is about making 2012 a year of reading. It was, I believe, in February that the Prime Minister announced a program to encourage children and parents to read together. That is probably one of the greatest things that a parent can give a child in their education—sitting down, reading with them, teaching them the value of reading and teaching them how important it is to spend that time together. It is actually a bonding time. We all know that children's brains develop more rapidly in the earlier years. It is widely recognised that sharing books really helps children with their literacy skills when they go to school. This is a great program that is benefitting students throughout Australia.
In addition to the programs that I have already mentioned, the National School Chaplaincy Program, a student welfare program that has been extended by this government, gives support to children and helps them. There have been a number of schools in the Shortland electorate that have benefited—Belmont Christian College, Belmont High School, Gorokan High, Kahibah Public School, Northlakes High, Whitebridge High, Belmont North Public School, Budgewoi Public School, Gorokan Public School, Swansea High School and Warners Bay High School. This is support for children to help them improve their literacy and numeracy abilities.

Mr WYATT (Hasluck) (18:31): I rise to support the motion put forward by the member for Lyons to recognise that 46 per cent of Australians do not have the functional literacy to enable them to undertake more than the very basic tasks in life. I would support very strongly his comments this morning about developing a reading culture within a home in which a parent or caregiver or those who are older read to a child. It is through that process that you acquire an understanding of language and the context of the use of words. You hear the story and then you have the discussions around it. But if 46 per cent of Australians do not have a functional level of literacy then that will be a challenge in many homes. So to some extent we are going to have to be innovative and creative in our thinking as to how we develop that reading culture.

I once learned a salient lesson at a family breakfast that I was invited to. I was watching and saw an incredible activity by a mother who could not read. She got her children to tell her what was written on the packets or the containers within the kitchen and got them talking about it. At another point I saw her use a book and get the kids to tell her the stories so that she had an understanding, but she would question them.

Families, parents and caregivers are really the first point of education for all children, from the conversation that a mother has with her child in the first hours of life right through to those formative years when they go to school—but it does not stop there. It is important that we as adults play a critical role in reading to a child. Reading to your child provides the foundation to learning to read but also the acquisition of the knowledge of English.

English has a total of 550,000 words, but 2,000 words make up 90 per cent of most speech and 400 words make up 65 per cent of most writing. English has 26 letters and only 44 sounds and there are only 70 main spelling combinations. Half the key words are phone—that is, a single basic speech sound—but half are not. In the reading process that is explicit in the way that an adult reads to a child. That hearing is like practising anything that we do. Through that process we encourage the growth of their reading development and their speech and language acquisition but also an understanding of the world around them because it gives them access to information. I feel sad when I see adults who cannot fill in forms, whose functional literacy is affected by the fact that they did not have the opportunity to acquire language and acquire a level of learning that, had they been involved in a family that did reading and read to them, may then have changed the context of their life.

I certainly would support the member for Lyons in urging all members to participate in promoting their annual national reading day in their electorates because it would give them the opportunity to have conversations with people and to develop an awareness of how important reading is in local schools, communities and libraries. Sometimes we are highly visible at functions. For a change, it would not hurt us to be highly visible sitting in a library.
reading to a small group of kids. It would change the perception that parents have of us and might turn around some of the negativity. Often when we undertake a simple task, we can impact in a way that is far beyond our expectations. The motion of the member for Lyons goes to the very critical issue of the importance of the whole learning pathway: the combination of extension of learning through reading, through expression, through explaining. Enriching the learning environment of the child before they go to school or even out of school time is a very powerful way of embedding in our children practices that will stand them in good stead for the future, both in their employment pathways and in their opportunities for education. I am pleased to support the motion.

Ms BIRD (Cunningham—Parliamentary Secretary for Higher Education and Skills) (18:37): I think it is the first time I have addressed the chamber while you have been in the chair, Deputy Speaker Oakeshott, so I also add my congratulations to you for joining the speakers panel. In the same vein, I have been following the debate from earlier today on the motion of the member for Lyons and I commend all those who have contributed to it. It is a particularly important issue that many of us feel very strongly about.

The member's motion correctly identifies that the 2006 ABS Adult Literacy and Life Skills Survey, which is the most recent national survey of adult literacy and numeracy and the competency in those matters, found that 46 per cent of Australians aged 15 to 74—that is, about seven million people—have prose literacy levels below the level that COAG has since agreed is needed for an individual to meet the complex demands of work and life in a modern economy.

The survey was also conducted internationally and showed comparable and concerning results for the developed English-speaking nations such as Canada and New Zealand. These results suggest that there is a significant number of Australian adults today who do not have the reading or writing skills needed to participate effectively and confidently in a modern economy. The jobs of the future will require higher skills and this means that those without adequate reading and writing skills will be left behind when it comes to getting a job, to having a career path, to changing jobs or indeed to improving their qualifications over their lifetime. And, as many speakers indicated, the low-literacy issue is not just an issue for jobseekers and workers who want to thrive in their job but it also means they will find it difficult in today's workplace.

Our communities across our society and each of us in this place would be aware that our institutions are making much more use of digital technology and online media to communicate. We are using it to provide access to news and information, to access essential government services, and to run small businesses and enterprises. Those who do not have the founding reading and writing skills required to effectively utilise technology will find it increasingly difficult to participate fully in our community in ways that many of us take for granted. The foundations for strong literacy skills are laid in early childhood and built on at school. However, there are many Australian adults who left school without adequate literacy skills and who would benefit from literacy support and training. It is the case that many adults are unaware of their potential to benefit from some form of additional literacy learning, or they are deterred by the difficulty of fitting learning activities into their busy day-to-day life, or they are put off by the stigma that they might feel is attached to having trouble with reading. This is why it is so important for governments and communities to promote strong
literacy through initiatives such as the National Year of Reading and the national day of reading. They are important ways of raising awareness.

For many Australians, developing their reading and writing skills is a critical first step on the path to a job or qualification. In my own portfolio as Parliamentary Secretary for Higher Education and Skills, this government has made significant investments in projects and initiatives to improve the literacy and numeracy of Australian adults. Since 2010 the Labor government has allocated significant additional funding of over $250 million over four years to programs that improve adult literacy, including the Workplace English Language and Literacy program; the Language, Literacy and Numeracy Program; and the Language, Literacy and Numeracy Practitioner Scholarship Program. Indeed, we have worked with states and territories to take forward a National Foundation Skills Strategy for Adults, which will be released later this year. These programs and these initiatives continue to complement the Labor government's effort to support the quality of early childhood education, to improve literacy and numeracy results in schools, and to reform our training system, all of which should provide stronger skills to Australians.

I particularly want to commend the points made by the previous speakers about taking the opportunity of reading to young people and to acknowledge that for many adults with literacy problems not being able to read to their own children is a major impetus to getting literacy skills themselves. It is important that we have opportunities in place, when they realise that, for them to take that up. I support the member for Lyons's motion, and I would encourage all MPs, as others have said, to promote national reading day in their communities.

Mr McCormack (Riverina) (18:42): Initially encouraged by my mother, Eileen, I have always been an avid reader, a passion which led me to a career as a journalist and newspaper editor. However, not everyone enjoys reading and, more importantly, not everyone can read. The National Year of Reading is about children learning to read and keen readers finding new sources of inspiration. It is also about supporting reading initiatives while also respecting the oral tradition of storytelling. This year will help people discover and rediscover the magic of books. We, as Australians, will work to become a nation of readers.

Three goals have been identified for the National Year of Reading which will help turn Australia into a nation of readers and encourage a reading culture in every home. These goals are for all Australians to understand the benefits of reading as a life skill and catalyst for wellbeing; to promote a reading culture in every home; and to establish an aspirational goal for families, of parents and caregivers sharing books with their children every day.

Reading improves vocabulary, comprehension and overall literacy. Teachers also recognise students who are readers as better spellers and writers. I am proud to say my 21-year-old daughter, Georgina, is in her fourth and final year of a double arts and secondary teaching degree majoring in English and drama at Charles Sturt University at Wagga Wagga and today began her first week of her professional experience teaching block at Griffith High School. She recognises how important the written and spoken word is in this busy world in which texting abbreviations is, sadly, making an all too prevalent incursion into our literacy and daily lives. Hopefully she and her university colleagues will pass on those valuable, some might say old-fashioned, literacy traits of yesteryear.

It is pleasing to note a study in 2009 reported 72 per cent of children aged between five to 14 years of age reported reading for pleasure outside of school hours during the two school
weeks prior to being interviewed. An adult literacy and life skills survey in 2006 found that reading is a favourite activity for about 61 per cent of Australians aged 15 years and over. The survey also found women like reading, with more than 73 per cent of women responding that reading was a favourite activity, compared to only 50 per cent of men. Of the people surveyed, it also found 77 per cent read newspapers, 58 per cent read magazines, and 48 per cent read books at least once a week. However, the survey revealed almost half—46 per cent—of all Australians did not have the minimum reading skills to read a newspaper or a recipe. Furthermore, one in five with a bachelor degree was not literate enough to meet the complex demands of life and work in a knowledge-based economy. The survey highlighted that literacy problems grew with age, and were highest, at 73 per cent, among the 64- to 74-year-old age bracket.

While this age bracket may have the highest literacy problems, we are also facing the growing technology age, and it is becoming difficult to pull children away from television, video games, computers and personal devices. Patricia Greenfield, an American neuropsychologist, studied the impact of technology on learning in 2009. Her study showed that whilst generation Y's love of technology, including television, video games and the internet, is developing impressive visual intelligence, that this is having severe effects on their ability to process information at a deep level. The ability to analyse and reflect is not being developed. As visual intelligence increases, the ability of the young generations to absorb and understand the written word is unfortunately decreasing. In order to develop the skills to reflect and critically think, human minds require sufficient time for reading.

There is something magical about books. Many people often comment that after seeing a film based on a book that it was never as good as what they had imagined whilst reading. Books allow you to get lost in the words and imagine things how you would like them to be. The use of your imagination is an important part of brain development.

In Wagga Wagga, the city's wonderful library is accessible to all residents not only for borrowing books but also for DVDs and magazines, as well as being a welcoming space where people can go in and have a coffee whilst reading their daily newspapers, accessing the free internet or wi-fi services, attending a holiday program or meeting up with friends. The library also runs a thriving book club community, with 55 book clubs, each with 10 members, who meet on a monthly basis and provide feedback. The book club has been a great way for them to meet new people.

The Wagga Wagga City Library runs a number of services to encourage people to read and to make it fun. These services include but are not limited to Storytime held four times a week, with about 200 children attending each week; Baby Bounce, where babies under 12 months of age start on a path to literacy with this learning program using rhyme and song; literacy collections to meet the needs of a growing new migrant community; and the Riverina Regional Mobile Library, which travels throughout the region as well as in the suburbs of Wagga Wagga, ensuring that the library is more accessible to residents than ever before. Reading is a vital part of the everyday, and it is important that we lift our literacy rate by encouraging more people to learn to read and with the fact that they should be able to enjoy it.

Ms LIVERMORE (Capricornia) (18:47): I am very pleased to be able to join with my colleagues to speak to this motion in this, the National Year of Reading.
The National Year of Reading is a fantastic initiative, conceived and promoted by public libraries right around Australia and supported by a range of sponsors including the Commonwealth and state governments. The campaign, which includes programs and events in libraries and other venues in cities and towns throughout Australia, aims to turn Australia into a reading nation. It wants to inspire all of us to discover books if we have not already, and for keen readers to find new ways of connecting with the written word.

A big focus is naturally on children learning to read and being introduced to a lifelong relationship with books and reading. That is why the Year of Reading has as one of its goals to encourage families to share books with their children every day.

Of course, when we talk about reading it brings us to the important question of literacy, which is very much the focus of this motion as well. I was shocked to see the statistics quoted on the National Year of Reading's official website, and it is a statistic that is cited in Mr Adams's motion, showing that nearly half of our population—46 per cent—cannot read with fluency. That means that far too many people are unable to make the most of what this great country has to offer in the way of career prospects and lifestyle. It is why this government has made literacy is such a priority and a key focus of our education policies.

We have worked with state governments and education providers to identify those schools where students need extra assistance to develop the literacy skills they need if they are to progress through the curriculum. We have invested $540 million in those schools in the last four years, to give the schools identified as having those issues the resources they need to achieve improvements in literacy and also in numeracy. Eleven of those schools are in my electorate, and I know that the principals and teachers at those national partnership schools have appreciated the recognition that they need that extra support. They can see the results in their classrooms.

I spoke this morning with deputy principals at both Mount Archer State School and Allenstown State School in my city of Rockhampton. They described some of the initiatives that they have been able to put in place with the help of that additional funding. Both of those schools now have a literacy coach, and the literacy coaches are working and mentoring teachers within the schools to better analyse the data for where students are finding problems and also looking at how they can move those children forward with their reading skills. They are also working with parents to help address some of the problems that children are having. The important thing is that they are really seeing results. They talked about seeing results both in specific testing that happens in years 3, 5 and 7 and right across grades. So it is great to see where that funding is really having an effect in those schools. That is what the national partnership program is all about.

The other thing that teachers, parents and students can see in their schools is the massive investment in new facilities thanks to the Building the Education Revolution program and the transformation of schools that has been made possible by that funding. It is not just making a difference in the way our schools look; it is opening up possibilities for enhanced learning and engaging with students in so many new ways. You just have to talk to school librarians about the way that students have responded to the new resource centres in their primary schools to know that the goals of the National Year of Reading have received a very big boost thanks to the BER. The resource centres I have seen have become the hubs of each school and places
students want to be, and they are places where students are surrounded by books, information and ideas.

Like all members on this side of the House, I have now been to dozens of schools to celebrate the opening of their new facilities. No two projects are the same, and every school has thought deeply about how to maximise the benefits of the BER funding for its students both now and into the future. Altogether there are 302 projects at 88 schools in Capricornia, including 60 libraries. Many schools received library upgrades as well as new multipurpose centres. That is a massive investment in jobs in the immediate term and an unprecedented investment in school facilities and the future of our children. All schools in Capricornia have done positive and worthwhile things with their BER money, and I want to congratulate them on the way they have used the money to really make a statement that those schools want to take their students to a whole new level of educational achievement.

In conclusion, I support my colleagues in this very important motion.

**Mrs PRENTICE** (Ryan) (18:52): Nearly half of the Australian population struggles without the literacy skills to meet the most basic demands of everyday life and work. It is a sad and very concerning fact that 46 per cent of Australians cannot read a newspaper, follow a recipe, understand a bus timetable or comprehend the instructions on a medicine bottle. The National Year of Reading is all about turning Australians into a proud nation of readers. It is about students learning to read and keen readers finding new sources of inspiration. It is about supporting reading initiatives and it is about helping people discover and rediscover the magic of books. By the end of this year and into the future, the National Year of Reading hopes to achieve its aims for all Australians to understand the benefits of reading as life skills and catalysts for wellbeing, to promote a reading culture in everyone's homes and to establish an aspirational goal for families, parents and caregivers to share books with their children every day.

There is a wealth of evidence to support the fact that children who are read aloud to on a regular basis when they are young are readily able to learn to read once they start school. Reading opens up a world of educational opportunities for our students, providing the foundation for learning for the rest of their lives.

Every year, Brisbane City Council libraries help children in the electorate of Ryan and the wider Brisbane area to discover the joys of reading through its Gold Star Reading Club program. The Gold Star Reading Club is designed to encourage and develop reading and literacy skills for children. The program is run for four months of the year, beginning this year on 12 May and continuing until 31 August. Membership of the club is free. Children only need to be a member of their local library. Participants are challenged to read two books per month and record them in their activity book as they go along, with prizes and book vouchers awarded when they pass different milestones. At the end of the program each child is presented with a gold star medallion and a certificate to recognise their achievement at a local awards ceremony. Last year, the program attracted a record number of participants, with 6,479 children taking part. Among the participants were more than 500 primary school students from Brisbane's north-western suburbs in my electorate of Ryan. I would encourage every primary school in the Ryan electorate to become involved in this fantastic literacy program.
Earlier this month, Queensland Premier Campbell Newman and education minister John-Paul Langbroek launched the 2012 Premier's Reading Challenge in a bid to encourage more Queensland primary students to open a book. Last year more than 78,000 students completed the challenge and read more than one million books. It is a great chance for students, parents and teachers to share a commitment to reading more in schools and at home. The challenge is for every state and non-state school student from prep to year 2 to read or experience 20 books, years 3 and 4 to read 20 books, and years 5 to 7 to read 15 books between 22 May and 7 September. In this, the National Year of Reading, I would ask every school student in Ryan to consider taking up the Premier's Reading Challenge.

The complexity of today's world means that everyone needs to have some level of proficiency in reading in order to understand important public issues and to fully participate in society. Strong literacy skills are closely linked to the probability of having a successful career, a good salary, and access to training opportunities. A highly literate population can boost a country's economic performance as well as better equip citizens to address any social challenges they may face by being able to participate in informed public and governance debates.

I commend the organisations, supporters and the local libraries in the Ryan electorate who are involved in this, the National Year of Reading. This is an important nationwide initiative in which I hope all Australians will participate in their own way.

Debate adjourned.

**Renewable Energy**

Debate resumed on the motion by Mr Coulton:

That this House acknowledges the Government's mismanagement of the solar panel program, the Small-scale Renewable Energy Scheme (SRES), in particular, the:

(1) failure of the Government to screen disreputable operators from the program;
(2) failure to warn the Australian public regarding the risks associated with solar installation companies operating with questionable practices, despite indication that this was necessary; and
(3) fundamental design flaws of the SRES program which have caused a glut of Renewable Energy Certificates in the clearing of houses, leading to deep financial stress for reputable solar installation companies and Australian families.

Mr COULTON (Parkes—The Nationals Chief Whip) (18:57): The Parkes electorate is an ideal place for the generation of solar energy. It has been identified as having the ideal amount of sunshine as a location for this. Indeed, a good number of my constituents have taken to the concept of solar energy and renewable energy with a great amount of enthusiasm. They understand the intention of what is trying to be achieved by the Small-scale Renewable Energy Scheme and in many cases have put considerable resources into the construction of this. Some of these installations are quite large. They are not just the small ones on rooftops. Indeed, some of them are freestanding and cost many tens of thousands of dollars.

But, unfortunately, this attempt to be involved in renewable energy has not worked out for some of my constituents. One of the problems is that, as with many things that are new, this scheme has attracted the attention of some less than honourable companies that have less than honourable management styles. Unfortunately, we have had two major collapses of companies in this area in my electorate, which have been well publicised. The companies
were Well Being Green and Solar & Bamboo Direct. Some of my constituents who had been dealing with Solar & Bamboo Direct had very poor service. What was to be a six-week installation time went on for upward of two years. They had poor installation, poor quality of insulation, and insulation that did not work. Indeed, some of these people did not get their installation completed before the company went into liquidation. Having expended upwards of $60,000, they now have insulation that is not working, for a variety of reasons. Some of the tracking devices were not working correctly. Some of them have blown fuses. Some of the insulation just was not installed correctly and so has become loose on its mountings. This has been a very expensive and long nightmare. There has been poor communication. Even when these companies had been dealing with some of these customers for 18 months worth of problems with their insulation, they were still claiming that there was a six-week installation process. It has gone on and on. The big issue is that a lot of these problems are unresolved.

The Well Being Green collapse has been slightly different. It has mainly affected my constituents in relation to the renewable energy certificates. Indeed, I know one individual is still owed $11,800 by nonpayment of some renewable energy certificates that were purchased by Well Being Green. One installer who was working in conjunction with Well Being Green is out of pocket by $98,000. For a small business operator, that is a nearly insurmountable loss.

So, why this motion? And why am I being critical of the government? One of the problems is that these businesses were listed on a government website as being registered agents. They were listed on the website of the renewable energy regulator. That sent a signal to members of the community that they would be dealing with someone with a close association with the government. That is the issue. This scheme originally predates this government, but if the government is going to put its arm around a program and allow websites to be advertisements—places for businesses to go and gain business—there needs to be a higher level of scrutiny. As a result of dealing with builders in my electorate who are owed hundreds of thousands of dollars because of collapsed companies associated with the BER, I have found that there is an assumption that a program like this has some form of government oversight and government protection and that it should be relatively safe.

That is why I bring this motion to the notice of the House tonight. I have made quite a few representations to the government—the New South Wales Fair Trading office, the Office of the Renewable Energy Regulator and the ministers involved. I have had a less-than-adequate response on behalf of my constituents. If you have spent $60,000 on something that you are hoping will be an investment in a clean energy future, and it appears that it has the backing and is under the umbrella of a government regulator, you would assume that there would be a degree of safety in taking part in this program—that it would be a relatively safe investment, even though it is quite a large one.

Unfortunately, the unravelling of these companies on the fringe of this program has led to an enormous amount of grief for the reputable companies—the companies that have been involved in solar energy for years and were in there before it was as popular as it has been in the last couple of years. They are really struggling now, because a degree of confidence has been lost in the entire solar installation and trading scheme. If we as a country are going to contribute and produce a certain amount of renewable energy, it is going to be incredibly
difficult when the wider population has lost confidence in the industry and in the
government's ability to oversee this industry.

Mr HUSIC (Chifley—Government Whip) (19:06): I want to pick up a number of points
that the member for Parkes raised. I have also experienced situations where people and small
businesses have been affected in the way that has been mentioned, but there are also a lot of
other businesses that operate across the economy that will be affected through their
transactions with others. But we do not use that as a basis on which to cast aspersions or to
effectively denigrate the value of the sector. I am not necessarily saying that this is the case
with the member for Parkes, but I have to say as someone on this side of the chamber that
there has been a pattern of raising concerns, particularly in relation to anyone that is
associated with the renewables sector. The reason I say that is that I have also participated in
other debates where we have had those opposite raise concerns—actually, they have been
quite long rants—about the wind turbine sector and what has been happening in other parts of
the country. As I said in that debate—and I repeat it here, and I do not necessarily liken it to
what the member for Parkes has said—I liken it to people saying that, because they drive
down the Hume Highway and they might run into a kangaroo, we should take cars off the
road. That type of logic does not work.

In this case, the issue of what has happened in the matters that have been raised by the
member for Parkes reflects a design flaw in the legislation that sat there for years—a design
flaw that was recently addressed by this government but had been introduced by the Howard
government. Again, I have to say that these flaws were never addressed by those opposite
when they had the opportunity to do so, yet there would be others that use it as a chance to
undermine important work that is being done in fostering our renewables sector, a sector that
will create up to 1.6 million new jobs.

The way I look at it, the reliance on renewable energy is not just an environmental benefit
but an economic benefit as well, and not just because of the industry it creates. The fact of the
matter is that it is economically smart to preserve our finite resources as much as we can and
find other ways of generating energy and meeting growing energy needs within this country.
From my perspective, I see this in rather strong terms as an attempt to basically trash an
industry which is valuable to our economy and which has enjoyed bipartisan support since the
middle years of the Howard government. It is just as amusing as what we saw today when the
Leader of the National Party declared that the coalition would oppose Labor's historic
shipping reforms despite their being part of its own platform.

Mr Neumann interjecting—

Mr HUSIC: In fact, as the member for Blair rightly points out, it is their policy. The
Leader of the Opposition took this policy to reform Australia's shipping industry to the last
election, and it all serves to highlight the game plan of playing the politics of obstructionism.
We have reached the spot of ridiculousness—that is, they do not just say no to us; they say no
to their own policies. I am certain that the more they play this card the more we will see
people waking up to what the member for Warringah is doing.

Let me look at this resolution in particular and put it in the context of my previous remarks.
The renewable energy target itself has maintained bipartisan support since it was introduced
in 2001. It was a scheme designed to deliver on the government's commitment that the
equivalent of at least 20 per cent of Australia's electricity would come from renewable sources
by 2020. In June 2010 the government, with the support of the coalition and the Greens, amended the RET scheme to separate it into one that would provide a large-scale renewable energy target and the Small-scale Renewable Energy Scheme from 1 January 2011, which we are discussing in part tonight. This separation split the pre-existing renewable energy certificates market into two markets—namely, the large-scale and the small technology certificates market. The STCs were created from eligible installations of small scale renewable energy systems, like solar water heaters, heat pumps, photovoltaic panels, micro hydro and micro wind systems, with each STC representing one megawatt hour of renewable energy. The scheme came into effect last year on the back of the support of both coalition parties.

As well as highlighting the politics of obstructionism, the motion emphasises deep divisions, I would say, in coalition ranks as to the RET and to climate change itself. The coalition has inconsistently argued against the generosity of the solar credit arrangements and the safety of the industry. On the one hand it has criticised the sector, and on the other it supports a $1,000 solar subsidy to achieve an additional one million solar roofs by 2020. In the direct action plan the member for Warringah took to the last election, he stated:

Our goal is for one million additional solar energy roofs on homes by 2020, including either solar power or solar water heating systems.

To achieve the goal of one million additional solar energy roofs by 2020, the Coalition will provide an extra $1000 rebate for either solar panels or solar hot water systems. The program would be capped at 100,000 rebates per year and would therefore be capped at a total cost of $100 million per year.

So you have a situation where you have a major political party taking to the election a promise to further stimulate the sector but we have heard nothing of the type of regulatory response that is being called for here or dealing with it. The simple reason is that the design flaw in the system was introduced by those opposite and went on for years without them correcting it until we fixed it in this parliament.

In the spirit of the Leader of the Opposition's caravan of doom, the member for Parkes has come into this place tonight talking down the Australian solar industry and discrediting it as being shonky. He ought to be ashamed of himself, because Australia's solar industry is strongly regulated. State and territory governments have clear responsibility for regulating workplace health and electrical safety standards in relation to solar voltaic systems—

Mr Bruce Scott interjecting—

Mr HUSIC: How come you never stop other people interrupting me but you are interrupting me now? You are getting me worked up.

The DEPUTY SPEAKER: Order! The member for Chifley will address the chair.

Mr HUSIC: Australia's solar industry is strongly regulated and it has regulations in place to oversight workplace health and electrical safety standards in relation to solar voltaic systems. To be eligible to receive support under RET, small-scale systems have to meet stringent safety standards, including adherence to relevant Australian standards and all relevant Commonwealth, state, territory and local government laws and regulations. In particular, in the case of Well Being Green, which was referenced by the member for Parkes, it was not that the work was substandard; it was an issue where one company was not honouring its arrangements with its partners. This is not something that would be isolated
insofar as there would be situations in all spheres of commerce where there would be parties that do not seek to honour what their partners do and the law needs to step in. That is what we have effectively sought to fix up in the reforms that are being brought on by the minister for climate change.

The regulator has inspected and finalised reports for over 3,000 installations, reinforcing the point I just made, and passed on issues of noncompliance to the Clean Energy Council and state and territory agencies for further enforcement. I note that public inspection results indicate that only about four per cent of systems were considered unsafe, hardly suggesting a widespread problem with compliance as has been suggested. My problem with the coalition is that they have gone out of their way to highlight a problem and claim they have got an affinity for the industry, but when it comes to helping out they are nowhere to be seen. There is $500 million ripped out of industry assistance under their plan. They never voted for the steel transformation plan. They sneer at efforts to protect auto workers. They move motions against wind turbines and the sector that is supporting them. And now we have this.

The member for Parkes can talk about financial stress. The only thing that is causing stress is this constant campaign of fear and negativity that is being played by those opposite in trying to undermine confidence in certain sectors across the economy. From my point of view, they have a vested interest in the failure of these industries and the loss of jobs that follows it. The RET has been highly successful in helping households, small businesses and community groups to address or play a part in addressing climate change. Over 500,000 rooftop solar panel systems and over 200,000 solar heat pump water heaters have received support under the scheme since it has been expanded.

Mr BRUCE SCOTT (Maranoa—Second Deputy Speaker) (19:16): I join this debate in support of my colleague the member for Parkes and to acknowledge the government's mismanagement of the solar panel program and the Small-scale Renewable Energy Scheme—the RETs. Since late last year to early this year and in the last few days people have started to come to me. I think there was probably a spark ignited by the proposed introduction on 1 July of a carbon tax. They are looking at their power bills all the time. They want to see that these installations that have been put in place are, first, actually working and, second, will deliver a renewable energy certificate. But they have found that they are getting cases of dodgy operators and people seem to have no recourse to get their money back and the Clean Energy Council does not seem to want to do anything about it.

Let me describe a situation of a constituent near Stanthorpe. They put an order in and the system was installed on 14 May, very recently. It is meant to be able to deliver some 10 kilowatts per day. They were told if there was a problem to get back in touch with the company. We have all had heard that story—'Get back in touch with us.' They are not having any success at all. They were also told that it would probably deliver some $300 a quarter in savings in the electricity bill because of the renewable energy certificate. They have started to ring around to try and get to the end of this saga. They have been in touch with the company in Brisbane which I understand is the importer or supplier of these solar panels. The phone number is a 1300 number and goes to a mobile phone of someone in a car. So they have gone a little bit further to see whether this company, Clean Solar Pty Ltd, are in fact properly regulated. They went to the company and they found that they do not hold a Queensland BSA licence, so they may also be operating illegally.
This couple have paid their money in good faith, thinking that this will be a way of saving money and particularly offsetting some of the impact of the carbon tax, but they are certainly not getting anywhere down that path at the moment. But it goes further. They have looked at the warranty on the solar panels and if there is a faulty panel or part under warranty it says, 'Return the defective parts to China.' There is not even any service available for these solar panels if they are dodgy. I have yet to see them personally but it appears to me that they could be dodgy. We have got to do something about it. That is the whole context of the motion that the member for Parkes has before the Federation Chamber this evening.

They then rang Ergon Energy to see if the rebate that would be due to them if the equipment worked correctly could be stopped while they had the equipment checked out to see that they were operating legally with a solar panel that would do the job. Ergon gave them the phone number for the Clean Energy Regulator, because they wanted to see if they could stop any RECs being paid, because they thought it was a dodgy installation. The Clean Energy Regulator said no, they could not stop it, because the paperwork had already been signed. I think anyone who is overpaid with a Centrelink payment is required to pay the money back. That is what my constituent wants to see. He feels that this is ripping off the taxpayers. It is taxpayers' money. He supports the principles of the scheme but not the way it is operating. It just seems to be another pink batts scheme that is operating in some parts of Australia with the rollout of this solar panel scheme.

I had another case, from someone very near Kingaroy. This really got to me. This person got in touch with my office and said the panels had been installed but simply do not work. He has paid his deposit and extra money. paid the subcontractor an additional amount of money because of the height of the roof, and yet the installer did not have any safety equipment when he went up there onto the roof. This person also noted that, when the installer was putting the panels in place, he was using the light of a mobile phone to do the connections. Is it any wonder they do not work?

I am calling on the government to immediately stop payment to fraudsters who are ripping off taxpayers. If they are dodgy, they should be stopped. Clean up this whole scheme. The government needs to screen disreputable operators from the program. The minister must stop these payments to ensure that this does not continue along these lines. (Time expired)

Mr ZAPPIA (Makin) (19:22): I accept the sincerity of the member for Parkes in bringing these matters to the attention of the House in his motion on the Small-scale Renewable Energy Scheme, but I do not accept that the responsibility for the concerns which he raises rests with the federal government at all. The renewable energy target has been very successful in assisting households, small businesses and community groups to install small-scale renewable energy systems on their premises. We heard from the member for Chifley how over 500,000 rooftop solar panel systems and over 200,000 heat-pump water heaters have received support under the Renewable Energy Target scheme since the government expanded the renewable energy target in 2010.

I would have thought that the member for Parkes would be supportive of that program, given his own party's policy in respect of this matter. I will not repeat it word for word, but the member for Chifley quite properly referred to the coalition's policy on this issue when he referred to their direct action statement about trying to achieve a million additional solar energy roofs by 2020. He went on to talk about the $1,000 rebate in their policy and how
much money they would commit to it. That is exactly what the government is in fact already doing, so therefore I would have thought that the policy itself is something that the member for Parkes would have supported, especially given that, to date, it has assisted 700,000 premises across Australia.

These installations have not only assisted Australia achieving its renewable energy target; they have actually assisted households, businesses and community organisations with their ongoing power costs. Once you have a solar panel system or a solar hot-water system installed, it is there for many, many years, providing you with the benefit of the investment that both the government and the owner of the premises have made. I think that everyone would agree that that is a good thing.

I also remind the member for Parkes that it was in fact the coalition government that introduced the renewable energy target in 2001, and the coalition have supported every scheme amendment since that time. It was also effectively the Howard government that brought in the very standards that have been applied for the rollout of this program. The fact is that the regulation of this industry lies with the states and territories. It was not until this government came to office and continued to roll out this program that the federal government even got involved in trying to assist with the management of the rollout and lifting the very standards which I think the member for Parkes would like to see improved. As a result of the Clean Energy Regulator coming into effect, there has been a much tougher regime with respect to the compliance, auditing and enforcement standards that currently apply across the country.

So, on one hand, it is my view that the rollout has been a good thing because it has done a lot of good things. Amongst those good things that it has done, it has brought to the attention of governments across Australia that we need to lift our standards with respect to those who install these systems into different homes, business premises and the like. As a result of that, the government has in fact acted through the Clean Energy Regulator.

Renewable energy certificates are a matter that I too have had brought to my attention by people in my electorate. On each occasion when they have raised the matter with me, I have said to them, 'Was it made clear to you from the outset what the terms and conditions would be?' I have to say that in all cases they said: 'Yes, it was. Whilst we would like to be paid the $40 that we might get through the clearing house, the reality is that, yes, it was made clear that that is not guaranteed and that, if we want our money more quickly, we can trade on the open market.' I raise that to make this point: it was a choice made by people as to what they would do with their renewable energy certificates. Provided that that choice is theirs and made clear to them, again, I do not believe that the government is in any way at fault.

Finally I say this. As a result of the 700,000 different systems that have been put into homes, it is not unusual that we have some problems with them, but it is good to see that the government has responded to those problems through the Clean Energy Council.

Ms MARINO (Forrest—Opposition Whip) (19:27): I rise to support the motion by the member for Parkes. His issue is with the government's mismanagement. There are many failings of this Labor government that could be debated here today—we are pretty spoilt for choice—however, it is the handling of the Small-scale Renewable Energy Scheme that provides us with the latest example of the government's incompetence. The scheme targeted the household level consumer and was designed in effect to get more solar panels on roofs. It
subsidises the installation of small-scale renewable energy systems, including solar power photovoltaic, or PV, systems, wind power systems and hydro power systems. It also subsidises the installation of solar hot water systems or heat pump hot water systems.

It has been managed by the creation of small-scale technology certificates under the SRES for each Australian state and territory. One STC is equivalent to one megawatt hour of renewable electricity generated and has been valued in a range from $25 to $30 over the past year. However, few people have used the system to claim annual credits. Most have ceded those credits to the installer in exchange for a cheaper purchase price. The scheme incorporated a solar credits multiplier, which increased the value of the credits in its early years, with a peak multiplied price in 2010 of around $43. However, by 2013, in the middle of the year, the multiplier falls to one and has no effect, so prices will stabilise.

Naturally, this market distortion has contributed to the usual government mismanagement. Dodgy operators were attracted to the subsidised scheme, undermining real installers and the industry as a whole. It has caused a great deal of hurt out there. Just as the Labor Party did with its pink batts program, it completely failed to ensure that the process was open, accountable and honest. Instead, it again bogged down with Labor values, with the result that, once again, it failed the competency test. Once again, the result is hurting genuine Australian businesses and families. Like most of the government's clean energy deception, the outcomes reflect the Labor government's repeated failure to deliver programs. The Office of the Renewable Energy Regulator set up a clearing house to help facilitate the trade of these STCs. If the market is in surplus the STCs are worth less than $40; if in deficit, they are worth more. The crux of the problem for the government is that they have established a system which last year had a total of 5,411,596 STCs in surplus. It is worth noting that these STCs can be traded at market value, which at, for example, $25 per STC is a total of is $135 million worth of credits in surplus. Credits in excess of $200 million owned by individuals, families and small businesses are sitting waiting to be traded in a system established by the government. However, since August last year, there has been an increase of 824,447 STCs for a new total of 6,236,043 available for purchase by emitters. This is a new total of $156 million worth. The government has created a system where there are renewable energy certificates, but they are in surplus, which can only push the price down. The end result, unfortunately, will be a bit like Europe printing more money to pay its debts and represents another failure by the government.

I support the member for Parkes in this motion because of the businesses, particularly the small businesses, affected by this—those in my electorate and, as we have heard today, those in electorates all around Australia. There have been people going out of business, people this has cost thousands of dollars. The amount of worry and the amount of additional pressure this has put on individual small business owners has been extraordinary. I think that is the crux of this issue. All the time what we have seen for small business operators around Australia is additional pressure, additional red tape and additional challenges, and the mismanagement of this scheme simply proves that this is another instance of that.

I am really pleased to support the motion by the member for Parkes. He referred to:

(1) failure of the Government to screen disreputable operators …

a major failing—
(2) failure to warn the Australian public regarding the risks associated with solar installation companies operating with questionable practices, despite indication that this was necessary; and
(3) fundamental design flaws—
I have explained them here—

of the SRES program which have caused a glut of Renewable Energy Certificates in the clearing of houses, leading to deep financial stress …

(Time expired)

Ms OWENS (Parramatta) (19:32): Once again it is one of those moments in the House when members opposite have just spent a considerable amount of time criticising their own policy. In fact, we heard from the shadow minister recently that he plans to expand this program extensively—using just this program, using the same system—to deliver one million solar panels for hot water systems on Australian roofs by 2020. Again we have the negativity of this opposition laid bare. This was John Howard's program—the renewable energy target. It was John Howard that set up the link between the eligibility of certificates and the accreditation. That was actually put in by John Howard, and they thought it was good. Even the member for Flinders thought it was good. Just recently, back in March, he said:

… I even negotiated … the 20 per cent renewable energy target. There are those who are critical of it—

and we have heard some; I presume they will go and try to convince the leader to change his policy—

I am guilty as sin of supporting it. But it was not about finding the highest cost for renewable energy; it was about finding the lowest cost for renewable energy. If we are moving into that space, we need to do it on the lowest cost basis.

And John Howard set the target, he set up the scheme, he set up the system and it was good.

We came along. There were some problems with it—exactly the problems that you are describing. So we strengthened the assessment process. Anybody who has followed this knows that it is actually the state and territory governments that have the responsibility for regulating workplace health and electrical safety standards—the states have that responsibility. I am sure you are going to get up and bag them tomorrow in parliament. I am sure you are going to get up and bag all those Liberal state governments that have not dealt with this. But the federal government moved to set up our own assessment process where, when we find installations that do not demonstrate competence, we inform the state governments of those problems so that the state governments can take the actions needed to get them fixed. By the way, at the moment the inspections show that four per cent of the systems are considered unsafe. You are quite right: it is too high. You should get onto your state government colleagues and make sure that they improve their systems, because they are responsible for safety and workplace standards in relation to this.

Let's move on to the Leader the Opposition and his promise that one million homes will have solar by 2020. I point out that the figures do not add up. This is what you would expect, actually. I am surprised that no-one has noticed that, at 100,000 rebates a year, to get to one million by 2020 you would have to have started in 2010. I think maybe someone on the other side should work out that it would actually cost $166,666,000 every year between the next possible opposition budget, if they actually win—heaven forbid, with these sorts of figures—and 2020. It would be $166,666,000, not $100 million. So the direct action plan is profoundly
flawed. You cannot reach one million homes by 2020 capping it at 100,000 a year. We do not have that many years left between now and then. So let us not take this plan particularly seriously.

Let us look at what Mr Abbott had to say on the need to encourage more solar initiatives on top of current programs:

Well, we think it can and what we're proposing to do is to add $1,000 to whatever other assistance measures there are for solar roofs. Now, we think it's important that we encourage the use of renewable energy. We think that moving from electric to solar hot water is a very practical and constructive way for Australian households to reduce their emissions.

Later, he said:

Well, again, it will operate in the same way that government programmes operate.

Until you guys get to your caucus meeting tomorrow. I am sure you will convince Mr Abbott that this is not a wise thing to do. Mr Abbott said:

This is $1,000 on top of existing incentive payments. So the existing incentive payments will continue and there will be $1,000 on top of that.

He said further:

Well, as I said, it will be run as an addition to existing programmes, so it would use existing programmes. The sort of safeguards that are built into existing programmes would simply carry over to our additional $1,000 incentive.

This is your policy. You have just spent the last half an hour or 40 minutes criticising your own policy. When it is John Howard's program it is good; when it is ours it is bad. Then it will be yours again and it will be good. This is negativity gone mad. You do it and it is good, we do it and it is bad and then you do it again and it is good, only you do it on a larger scale—except your figures do not add up. You cannot deliver what you are promising to deliver on the money you have put on the table.

Ms Rishworth: Surprise, surprise!

Ms OWENS: Exactly! Goodness me, this is negativity gone mad.

Debate adjourned.

Autism Spectrum Disorders

Debate resumed on the motion:

That this House:

(1) notes the significant impact of Autism Spectrum Disorders (ASD) on the lives of individuals diagnosed with this condition often including:

(a) difficulties with normal social interaction;
(b) delayed speech and unusual forms of communication;
(c) intense preoccupation with a single particular interest;
(d) inability to comprehend the consequences of their behaviour;
(e) lack of awareness about the emotions of others; and
(f) associated learning disabilities;

(2) recognises that:
(a) raising a child with ASD can present considerable challenges for families including financial and emotional pressures as well as strains on the family unit and marital stress; and

(b) intensive early intervention services can be critically important to improving the cognitive, emotional and social development of children with autism;

(3) acknowledges support provided through the Government's $220 million Helping Children With Autism Package, which is the first national initiative to help families and children with ASD;

(4) notes the importance of continuing to provide support for individuals with ASD and their families on an ongoing basis and particularly throughout schooling years; and

(5) calls on Commonwealth and State and Territory governments to work closely to ensure the seamless provision of services to families of children with ASD, especially at key points of transition such as from early childhood to primary schooling and from secondary schooling to further education and training or the workforce.

Ms RISHWORTH (Kingston) (19:38): I moved this motion to raise awareness about the significant impact that autism spectrum disorders have on the lives of individuals diagnosed with this condition as well as the lives of parents raising children with autism spectrum disorders and their families. A number of families in my local community in southern Adelaide have raised concerns with me about the challenges they face and, importantly, the need for support to be available for their children, particularly at key points. Among those key points are transition points in their lives, particularly the transition to school.

The motion notes the significant impact that autism spectrum disorders have on the lives of individuals diagnosed with this condition. This term, autism spectrum disorders, is an umbrella term for a pervasive developmental disorder such as autism or Asperger's syndrome. Individuals diagnosed with this can experience more or less severe behavioural abnormalities. Individuals diagnosed can often have difficulties with social interaction, communication and imaginative play. In terms of social interaction, children with autism can lack awareness of emotions experienced by others, be unable to comprehend the consequences of their own behaviour and can prefer isolation to the company of others, presenting significant challenges for interacting with the world around them. In terms of communication, children with autism can experience delayed speech development, can develop unusual speech patterns to do with volume or speed and can develop unusual forms of communication, such as imitation. In terms of imaginative play, children with autism can often develop an intense preoccupation with a singular interest and become fixated on particular interests to the exclusion of all else. Children with autism can also have associated learning disabilities.

Studies suggest that the prevalence of autism has been increasing, and I know that a number of families from my electorate are experiencing challenges. In some ways they would not change their children but what they are really talking about is that it is having an impact on them and they would like support in how to deal with this challenge.

The motion recognises the considerable challenges, as I said, and the need for support for a child with autism. The experience of raising a child can be, at times, trying. But most important is the need for support. Parents often experience and certainly have communicated to me a lot of anxiety about obtaining a diagnosis and whether or not they should. Some have tried over and over again without much success. However, that anxiety does not just stop if there is a diagnosis made because it can also create further anxiety about what it means for the
future for the child who they love very dearly, what it will mean for the rest of their lives and what it will mean for their family.

It is important to note that the research shows that a diagnosis of autism spectrum disorder can have a significant impact on the lives of parents who are constantly negotiating and often accommodating to protect their child from potential hazards or repeatedly demonstrating basic tasks such as how to blow one's nose. Children will also demonstrate severe tantrums. It is often said that attributes such as patience and persistence are required by all parents but they are, as many parents have made it clear to me, really required to a greater extent in parenting a child with autism.

A number of studies also point to a higher prevalence of mood disorders among parents with children with autism, such as depression and anxiety. Autism can also affect the relationships with relatives and the wider community as well as marital relationships. I have heard some very sad stories about marital breakdown as a result of the stresses that are placed on a family when looking after a child with autism. Certainly in my local electorate a lot of parents have felt very isolated about it. They do not really feel that parents of kids without autism understand what they are going through.

In addition, there are emotional and financial pressures. Most parents I speak to want to give the very best opportunities to their kids, especially if they do suffer from autism, and get the right services in place. This can place a financial stress on the family. Parents have to also deal with perhaps brothers or sisters and manage those family relationships as well. It is difficult.

I have spoken to a lot of families in my electorate who are very concerned about this issue. One person I am going to speak about today is Coby Hudson of Hackham West. She is one of the many parents of children with autism in my local community. Coby has two boys aged eight and 10, both who are placed on the autism spectrum. Several years ago Coby started with a group which organises camps for families with children on the autism spectrum because when talking to other parents of children with autism she realised that they often felt so isolated, as I mentioned, that marriages were strained, that breakdown could particularly happen when people looked for someone to blame for a difficult situation and that families often had little positive time together because they were often working through the challenges presented. Coby found the camps created an important support network for families and siblings to talk with other people in the same situation. I must commend her very strongly for doing this because this is something that a lot of parents have indicated that they would really like.

It was really important to be in an environment that is free of stigma. Often parents feel that there are a lot of prying eyes of those in the community who do not understand autism disorders. Coby is now looking forward to developing a new project called 'Absolutely Autism' to provide support for individuals with autism and their families. Her story is a very special story, because it indicates some very special work that she is doing. She has been concerned; she said that often she has people in the community labelling her child as naughty because they fail to understand some of the issues. There are a whole range of things that have affected her.

There is no doubt that autism spectrum disorders do have an impact. That is why I was so proud to be part of this government, that actually did implement a package for the first time—
assistance for early intervention with autism. We do know that early intervention is critical in improving the cognitive, emotional and social development of children. The federal government did have the $220 million Helping Children with Autism package. Obviously, as I said, it ensures that we get in early and assist those parents. This package is quite important because it enables young children with autism to access up to $12,000 in funding for early intervention services, before the child's seventh birthday, as well as providing a range of other measures—access to autism advisers, family support and playgroups. I have spoken to a number of families who have really appreciated this support.

I would say, though, that a lot of parents have been concerned when that support is finished. In particular they notice a real drop-off in the transitional phase as children go to school, when they have been accessing the Helping Children with Autism package and then have to have the services at school. I have to say that a lot of parents have raised this transitional issue with me, that services are disjointed—they are not seamless—and they certainly do not transition seamlessly from before school to at school.

I think that most parents would attest to the fact that with children getting older it does not get any easier. Certainly, ensuring that services continue to be provided is really important. That is why this motion does call on the Commonwealth, state and territory governments to work closely to ensure that there is a seamless provision of services to families with children with autism spectrum disorders, especially at key points of transition such as from early childhood to primary schooling and from secondary schooling to further education and training in the workforce. I think that if we are able to provide this support to families and this support to individuals then we can really help them to achieve everything that they can. I think that is so critically important.

I look forward to continuing to work in this parliament and also with the states and territories to ensure that the services that are provided really do help families in need.

Mr CRAIG KELLY (Hughes) (19:48): Firstly, I would like to congratulate the member for Kingston for this private member's motion and her interest in this subject. Autism affects one in 100 Australians, and my son Trent is one of those one in 100. Everything this motion notes—the significant impacts of the autism spectrum disorders include difficulties with normal social interaction, delayed speech and unusual forms of communication, intense preoccupation with a single particular interest, inability to comprehend the consequences of behaviour, lack of awareness about the emotions of others and associated learning disabilities—are things that I and my wife, Vicki, have and continue to experience every day with our son Trent.

Trent was also born with Down syndrome, and the day that he was diagnosed was the worst day of my life. To be told that the hopes and dreams for your little boy are dashed leaves you with a great sense of guilt. But I was wrong: my dreams were not dashed, they were just modified. Trent is now 16 years old, and I have learnt some very valuable lessons in those 16 years. They have certainly been challenging years and they have certainly been a struggle for my wife and me. But, most of all I have learnt that every life is important; it is precious and it is valuable.

Like many parents who have their children diagnosed with autism it took quite a while for Trent, our son, to be correctly diagnosed. When he was about 18 months old we had concerns that he had a problem with his hearing, because he would not respond to noises as you would
expect a normal child to do. For month after month we took him off to a hearing clinic, where they would put him in a darkened room and make noise with a puppet in one corner of the room, expecting Trent to turn, to recognise that his hearing was okay. But of course Trent would pay no attention so the hearing specialists thought he had hearing difficulties. We then went through months of trying to fix him with a hearing aid. The very minute we put it in his ear he would pull it out. This was a game we would play for hours and hours on end, and he would always win.

One day we were over at my mother-in-law's place and his favourite TV show, Blue's Clues, came on. The very minute he heard it his little face turned to it. And I thought, 'You little bugger, you have been conning us all the time.' His hearing was okay, but he was autistic, which provided many of its own unique challenges.

Trent does not have any language, with the autism and the Down syndrome, but he certainly can let us know what he wants. He is a happy body. He laughs as much as any kid. He is satisfied and comfortable in the world he lives in that we created for him. He does not have to worry about the next day, next week or next year. His world is uncluttered by the worries of responsibility, social acceptance and the subconscious fears that plague the rest of us.

Now that he has reached the age of 16, it is time for him to start shaving. Every week I go through a procedure where we basically play jiu jitsu. I try to get the razor to his face and he tries to push it away. So we have shaving down to about 40 minutes from originally an hour and a half. One thing I have learnt is that every child with autism is different.

While Australian statistics show that we have one in 100 children with autism, in the USA those statistics are less, at one in 88. That is perhaps because they have mandatory assessment for all children. Perhaps we need to look at having mandatory assessment for all children before the age of four, before they reach school, so that they cannot slip through the net. We make sure that if these kids do need early intervention they actually get it. That gives them the best chance of having a solid foundation for their future.

This motion also notes that the House recognises that raising a child with autism can present considerable challenges for families, including financial and emotional pressures as well as strains on the family unit and marital stress. Those I can attest to.

The Autism Society of America estimates that the lifetime cost of caring for a child with autism is between $3.5 million and $5 million. But all the money in the world does not make dealing with autism easy. Many parents I know who have kids with autism are on medication for depression. The divorce rates are high and studies have shown that single mums of kids with autism have the same stress levels as soldiers in combat.

One thing that I have been truly grateful for is to meet many other parents in a similar situation. One group in our local area is called the Autism Advisory and Support Service. This is a not-for-profit charity run by parents of children with autism—they help. It is run by Grace Fava, Fiona Zammit, Bassema Ghaznavi, Korrine Miller and Tracey Diec. I am on the committee and I must apologise that I am unable to get to as many of their meetings as I would like to, because of parliamentary commitments. They run a range of services. They support, advocate, help to educate and guide families who have a member of their family with
autism. They run a 24-hour hotline, all serviced by volunteers, so that parents from around the country can pick up that hotline and discuss, with a parent who understands the issues, the problems they have. I asked Grace Fava, who is a true champion for the cause of kids with autism, to help me make a few notes on a few other issues with the bill. One thing that she pointed out is that we should ensure that all therapists have a capped fee. The introduction of the HCWA packa

This motion also acknowledges support provided through the government's $220 million Helping Children with Autism package, which is the first national initiative to help families and children with autism. This was much needed and was a big step forward. However, as Grace notes, much of this money has been wasted on needless administration. If the funding were administered through Medicare, there would be less administration required and there could be no conflict of interest for autism advisers, who currently self-refer families with no other options. It would be more appealing to therapists, particularly those in regional and remote areas, to sign up. Currently there is a long waiting list in regional Australia and there is only one therapist serving many areas.

I also asked Grace about the cut-off at four years of age, an issue that she raised with me. She is correct that autism does not magically disappear once the funding is finished. To ensure that every child has the same opportunity to fulfil their potential as their neurotypical peers, and to keep in line with the UN Convention on the Rights of Persons with Disabilities and the Disability Discrimination Act, we must come together. I list these points: (1) agree that autism is an epidemic; (2) provide and maintain funding for therapies for as long as the child requires; (3) make provision for those children who are more severely affected, with suitable therapies, respite and accommodation that is age appropriate; (4) understand that individuals with autism are individuals first and foremost and they deserve respect, understanding and a society that will accommodate their needs; (5) provide education in settings that embrace the needs of those with autism and their comorbidities; and (6) provide effective training to teachers, therapists and medical professionals to understand and accommodate those needs. Any implementation of an NDIS must ensure that the needs of all individuals with autism and Asperger's receive the support and funding they deserve. We must ensure that the needs of the vulnerable are placed above the profits and greed of several corporations.

In the short time left, I would also like to take this opportunity to give special thanks to the children, carers and teachers at Bates Drive Public School, which looks after many children with autism. The teachers at that school deserve gold medals every single day. They truly do a wonderful job, as many of the other teachers do in our special needs schools throughout the nation. Again, I thank the member for Kingston for this motion. We have come a long way. We still have a long way to go together. Let us hope that we can work with both sides of this parliament coming together and making sure we can give our kids with autistic disorders exactly what they deserve and need.

Mrs ELLIOT (Richmond—Parliamentary Secretary for Trade) (19:58): I start by thanking the member for Kingston for moving this very important motion. I also acknowledge
the member for Hughes and thank him for his personal contribution and his personal story. I think those stories are very important when we are talking about issues such as autism. I rise to support the motion and note that the Australian government is firmly committed to improving the support and care for people with autism spectrum disorders and also for their families.

Autism is sometimes referred to as an invisible disorder in that people with autism often do not have any observable signs, but they can have difficulty communicating or interacting socially, sometimes behaving inappropriately. Of course, many people who have autism are very intelligent, capable people and often behave very appropriately. It is because of a behavioural change that they tend to be unfairly labelled as naughty, bad or obnoxious when they do exhibit inappropriate behaviour. Instead, they should be recognised by onlookers as experiencing great difficulties in making sense of what is going on, and their outbursts of inappropriate behaviour are their way of expressing confusion, fear and frustration. We have heard many stories about the many challenges that children with autism have, whether that be in accessing school activities and some of the support services at school, and also many stories about the many challenges and difficulties that adults face. That is why it is so important that the government has committed to taking as much action as we can to provide that support and care. In 2007, the Australian Advisory Board on Autism Spectrum Disorders released a report on the prevalence of autism. The report indicated that around one child out of every 160 may display behaviours that would suggest that they may fall on the autism spectrum. The government understands the importance of early intervention services for children with autism.

The government is improving access to those early intervention services during the most critical period of a child's development through the Helping Children with Autism package, which has provided over $220 million for services for children with autism. Since the commencement of the package in 2008, more than 19,000 eligible children have registered to access over 550,000 early intervention services in 1,300 locations across Australia. That is a very significant difference. The package supports and recognises the enormous challenges for children with autism, their families and carers. And there is a whole range of intervention measures in the package, such as the Autism Advisory and Support Services, early intervention funding, specific workshops for the information of parents and carers, lots of PlayConnect play groups and a website. There are Medicare items as well. There are also positive partnerships for the professional development of teachers and school staff who work with students with autism spectrum disorders. There really are a whole range of intervention processes.

In addition to the package, the government has established six autism-specific early learning and care centres, which provide specific early learning programs and support to children with autism or autism-like symptoms in a long day-care setting. So there are a whole range of very important interventions and support services available to parents and carers.

As we know, the state and territory governments are the main providers of disability services in their respective jurisdictions. The package that I spoke about earlier is intended to complement state and territory government services by allowing families the choice of using their package funding on state and territory government services in ways that are most appropriate for the needs and requirements of their children. As I have explained, some of the
government's commitment will continue to focus on supporting these children and their families in the early years. We will continue to do that as we move forward with the broader reforms underway with the National Disability Insurance Scheme.

A big focus of the National Disability Insurance Scheme will be on ensuring early intervention services are available to families when they most need them to help our children get the best possible start in life. We understand that. That is why the government has had such a very strong commitment to the National Disability Insurance Scheme and why we made a commitment in the budget to get that underway. We know that will be very important for families right across the country. We have taken that action for children, and particularly those with autism, because we understand that it is important for them to access those early intervention services. We also want to continue to provide support and counselling services for them and for their parents and their carers. We acknowledge many of the challenges that they face. We understand how important it is for us to continue to provide the ongoing support and education that they require.

Mr BILLSON (Dunkley) (20:03): I rise in support of the member for Kingston's motion. I seek to point out a slight inaccuracy in it, though. The government's Helping Children with Autism package is a constructive initiative and one that should be supported. But it is not actually the first one. It is the second one. The first one was announced by the Howard government in 2007. That was a $190.7 million package to support children with autism spectrum disorder, their parents and their carers. I know that my friend and colleague the member for Gilmore and I and a number of other colleagues were extensively involved in that initiative. This represents a continuity of some good work in this space.

It is important to recognise that there is a collaborative effort going on in this area. It is the sort of collaborative enterprise that is really needed to get the NDIS off the table. It is not an area that should be subject to politicking and point-scoring. It is an area in which there should be a great shared purpose right across this parliament, as it will take a number of terms of parliament and I suspect a number of governments of different hues to bring about the kinds of outcomes that people working with those with disabilities—their families and their carers and the professionals who dedicate so much of their life to supporting this important group within our community—want. Collaborative enterprise—probably the biggest one we have needed for at least a decade—is what is needed, not trying to suggest one side of politics has a monopoly over it.

The Howard government package was a good package. It did provide direct support for 15,000 families, including their carers and children, with funding assistance for early intervention services—something that has been recognised by all speakers, as well as autism advisers operating across the continent—to help steer people in the direction of the support that is needed. So often, as my friend and colleague Craig Kelly and his wife Vicki have found, knowing where to turn and who can provide support can be one of the great mysteries. When you find someone who can help you find the path to the support that you need, that can be a great gift. That was a part of the package of the former Howard government, along with support for playgroups and assistance with the postdiagnosis phase and other children's services. So that was some good work that the government has built on.

In 2008 I actually praised the government for moving beyond its original proposal of just six early intervention centres. This was never going to meet the task, because they would be
located a long distance from a vast number of people needing to access that support service. I praised the government for picking up the bones of the Howard government program and going beyond its alternative commitment of just six early childhood centres. That was never going to go far enough. I think it was wise of the government to move beyond that original proposal.

There are a couple of things worth looking at. The changes in the budget for the out-of-pocket medical expenses may not have been thought through quite to the degree that is needed. If we are going to support families with children with autism spectrum disorder, we need to recognise that a lot of their care is extraordinarily expensive, something that is touched on in this resolution. But that seems to have been missed in the changes to the out-of-pocket rebate arrangements. Originally $2,000 needed to be spent for a 20 per cent rebate. That is now under the government's budget a $5,000 outlay for only a 10 per cent return. When you look at the kind of care that is needed for a person with autism spectrum disorder and the arrangements that are in place for the support through the Medicare benefits schedule and the out-of-pocket expenses, this is going to create an enormous new additional expense for families. I am already receiving emails from my electorate saying, 'Have people not thought through the financial consequences of those needing quite a number of therapeutic sessions and assessment sessions, who are eligible to be supported by this out-of-pocket expense measure, which has now been wound back quite considerably?'

In the minute that is left, I also want to point to the measure of Abacus at Monash Peninsula. I declare a pecuniary interest as the campus advisory council chairman. We have been working for years to bring together the expertise in the teaching area, the occupational therapy area, and the health and early intervention space to make sure the next generation of teaching professionals have with them the competencies to contend with special needs kids and kids that have successfully gone through an early intervention phase where they can be placed into mainstream schools. We have looked at a number of ways to pursue that. I will not go into all the details, only to say that the vacated childcare centre on the Monash campus has been leased to Windermere. This will provide specialist childcare support and a placement opportunity for the next generation of professionals to get direct research insight and hands-on experience and to improve our practice in relation to this crucial area of learning we need to continue to work on.

Ms HALL (Shortland—Government Whip) (20:08): I would like to congratulate the member for Kingston for bringing this really important motion to the parliament. I know she is a woman that is committed to areas of disability and to helping people reach their potential—and that is what this motion is about. Firstly, I would like to acknowledge the fact that the Labor government's $220 million Helping Children with Autism package has delivered to parents. It was like turning the light on. For years and years parents with children that had autism were scraping and trying to go from one service provider to another service provider, and they were never getting their needs fulfilled. It was only those parents that had the finances to be able to pay for those services out of their own pockets that could actually deliver to their children. This has created a level playing field, where all children suffering from autism or any of the disorders that are on the autism spectrum can access services.

Autism is a lifelong developmental disability characterised by difficulties in social interaction, impaired communication, restricted and repetitive interests and behaviours, and
sensory sensitivities. Before I became a member of parliament I used to work with people with disabilities. I had a male client with autism and another with Aspergers. Autism and ASD, autism spectrum disorders, are much more common in males than in females. Both of these young men had exceptional abilities. One was absolutely brilliant when it came to electronics. He could do just about everything with electronics and I managed to help him secure a job. Unfortunately, because he did not have the social skills, he could not communicate and interact and he ended up losing that job. The other young man swam for Australia in Special Olympics teams. He had autism. He went to a special school. I believe that if the programs that are available now had been available for him when he was younger he would have achieved a lot more than he has been able to achieve.

Autism and disorders on that spectrum are disorders where you can get the best outcomes for a person who suffers from that disorder if there is early intervention. My niece is probably one of the best trained health professionals in Australia on autism. She trained overseas and is now working in a private practice. For years she lobbied me about the importance of early intervention. I wrote to the previous government, the Howard government, and tried to encourage them to do something about providing services at that early age for young people who had ASD. Unfortunately nothing happened. Only now are there programs available for young people, programs that allow them to get the services they need. It is giving them the opportunity to enjoy things that other children enjoy and develop the skills and knowledge that will help them in later life.

I know this is an issue that the member for Kingston is passionate about and it is with great pleasure that I support her in this motion. I know that this government is determined to see that all children who suffer from autism have access to early intervention, because it is early intervention that makes a difference in their lives.

Mr RANDALL (Canning) (20:13): I also want to congratulate the member for Kingston for bringing this motion to the House and I point out to the members that I too have a definite interest in autism. I brought a similar motion to the House on Monday, 6 December 2004, should you wish to look at Hansard.

Everyone has a story to tell of autism. My story is the recent walk I undertook on behalf of autism. It was from Friday, 23 March to Thursday, 5 April this year. I conducted this walk for autism throughout my Canning electorate. The walk kicked off at the Mandurah foreshore and involved my walking through the electorate and visiting many of the schools in the electorate to raise awareness for the autism spectrum disorders. By speaking to the students about autism I was able to raise some awareness of the disorder and encourage the students to be respectful of their peers who may live with autism. Autism affects one in 160 children and it is true boys are four times more likely to have autism than girls. It is likely that these students will come across some peers that have some elements of the autism spectrum disorder at some stage, and that was my point to them.

The walk also helped to raise funds for the Autism Association of Western Australia to go towards funding early intervention and respite centres, such as INKA Respite in Lake Clifton in my electorate. INKA is run by Todd and Margaret Jarvis. The couple have dedicated a significant amount of their time to setting up the centre. Located on a rural property, INKA provides children and families with emergency and flexible respite in a unique farm-style environment. The centre receives very little government funding, meaning that Todd and
Margaret have had to put a huge amount of their own savings into keeping the centre running. I hope that some of the funds that I have raised will go towards assisting INKA Respite.

I was also joined on much of the walk by young Dermott Barnard. I first met Dermott when he adopted me through the Adopt-a-Politician program back in 2005. Dermott lives with autism and has made tremendous progress with the assistance of organisations such as the Autism Association and his schools. At the age of 13, Dermott is now part of mainstream schooling at Canning Vale College.

Over the 10 days I visited 42 schools and walked about 100 kilometres, raising over $22½ thousand for the Autism Association of Western Australia. I was overwhelmed by the level of support that I received from the schools, the wider community and my fellow parliamentary colleagues who were able to join me on the walk. These included Chris Pyne, Peter Dutton, Bob Baldwin and the local member for Darling Range, Mr Tony Simpson.

I would also like to take the opportunity to thank some key people that made the walk a success. These include Dermott's mum Lynne Hearne, Dermott himself, Alyce Barnard, Dermott's sister, and the Autism Association of WA. I was grateful for the support and endorsement of the Autism Association of WA, led by Joan McKenna-Kerr and Paul Baird. The funds that I raised have been invested and deposited with the Autism Association of Western Australia, hopefully earmarked for flexible respite.

The other support I received was from the Australian Hotels Association, Therapy Focus, the City of Armadale, the City of Mandurah, the Shire of Murray, the Shire of Boddington, Mr Len Buckeridge, Mr Stan Perron, Dean Capelli, Arthur Metaxis and all the wonderful schools and community members that made generous donations throughout my walk. I would like to thank Nicole Green from my electorate office for organising the itinerary and the program.

One size does not fit all and there are other alternatives: I will mention one. I would like to commend not only the Autism Association and not-for-profit organisations such as INKA Respite that address this important disorder, often with restricted funding, but also another WA based autism organisation that has been significantly affected by a lack of funding. This organisation is called the LEARN Foundation. As I said, there are many approaches and some fit some programs better than they fit the programs offered elsewhere. The LEARN Foundation offers an alternative approach to tackling autism. This is known as applied behaviour analysis. After recently meeting with the foundation CEO, Ms Mandy Mason, I have found that this has proved to be highly successful. The ABA approach involves intensive work by highly trained behavioural therapists and psychologists and has transformed the lives of many children. Uniquely the LEARN Foundation has been willing to take on the very challenging children who have been unable to interact with others and even shown self-injurious behaviour, such as self harm. It has made tremendous progress with such children.

LEARN have been through some financial difficulties. They need to raise $300,000 to stop their doors from closing. They are trying very hard with little state government funding. Any funding that can be given to them will be well spent. (Time expired)

Debate adjourned.
Motorcycle Safety

Debate resumed on the motion:

That this House:

(1) notes that:

(a) motorcycling is an environmentally friendly and fuel efficient mode of transport which is rapidly increasing in popularity in Australia;

(b) motorcyclists make up about 1 per cent of traffic but account for 16 per cent of deaths in road accidents;

(c) most motorcycle casualties involve speed and hitting a fixed object; and

(d) motorcycle groups are concerned about the safety implications of the design and location of wire rope barriers; and

(2) calls on the Government to work with the States and Territories to ensure motorcyclist safety assumes increased importance in road design

Mr HARTSUYKER (Cowper) (20:19): I welcome the opportunity to speak on this motion, as motorcycling is a great sport and a great means of transport. Motorcyclists come from all walks of life, and motorcycling is increasing in popularity. There are around one million motorcyclists in Australia. Motorcycling provides a sense of freedom on the open road that car drivers stuck in traffic can only dream of. But with that freedom comes risk, and it is for good reason that motorcyclists are considered high-risk road users. Motorcycles play a role in performing the transport task; however, this role in my view is far below the potential to move people quickly and efficiently around our gridlocked cities. Each year, despite massive investment in road infrastructure, we see congestion worsening, average speeds reduced and, as a result, travel times increased. This comes at a massive economic cost through lost productivity. In many locations much-needed infrastructure is years, if not decades, away, and the only other alternative is tollways or the public transport system, which cannot provide door-to-door solutions to our transport needs.

The potential for motorcycles to do more of the heavy lifting in the transport task of moving people quickly and efficiently around our cities is largely untapped. ABS figures indicate that 90 per cent of commuter traffic in Sydney and 91 per cent in Melbourne consists of driver-only cars. That would indicate that car-pooling seems to have failed the convenience test. As an alternative, motorcycles would seem a sensible, cost-effective option for moving people around congested areas. Added to the saving of space on our roads is the ability to save car-parking spaces in our congested CBD areas.

A factor which constrains the wider use of motorcycles is the risk of riding on a congested public road. As someone who lives in a regional area, I find riding in heavy city traffic quite challenging and a lack of rider awareness amongst car drivers astounding, if not unexpected. Making car drivers motorcycle aware would seem an important step in improving rider safety and increasing the use of motorcycles for transport purposes.

It is a telling statistic that motorcyclists represent one per cent of traffic yet make up 16 per cent of road accident fatalities. European research by the EuroRAP Motorcycle Safety Review Panel indicates that motorcyclists are 30 times more likely to be killed in a road crash than car occupants and four times more likely than cyclists. According to that research, hitting a crash barrier is a factor in up to 16 per cent of rider deaths. Studies have found that barrier
support posts are particularly aggressive in causing injury to motorcyclists, irrespective of the barriers' other components. Research from other jurisdictions around the world has provided similar results to those I have listed. EuroRAP also found that motorcycle-friendly crash barrier systems have been shown to halve fatalities and offer higher rates of return. The EuroRAP Motorcycle Safety Review Panel concluded that there was clear evidence to justify focusing the attention of road engineers on whether motorcycle-friendly barrier systems should be fitted at new sites and retrofitted at existing high-risk sites. An example of this in practice occurred in France, where a huge program had been undertaken retrofitting lower rails to crash barriers at high-risk sites to prevent riders hitting the support posts. In 2001, the European Parliament adopted a resolution that safety barriers must meet safety requirements for motorcyclists. In Australia, outcomes could certainly be improved by a more proactive approach by governments, both state and federal, towards motorcycle safety initiatives.

An issue which is the subject of much discussion amongst motorcyclists is the design and location of wire rope barriers. Whilst the energy-absorbing properties of wire rope barriers have considerable benefits in accidents involving cars and light trucks, the outcome is rarely a happy one when the impact with the barrier involves a motorcycle. I raised this issue with the New South Wales state roads minister, Duncan Gay, and the minister confirmed that he was aware that motorcyclists were concerned with the safety implications of wire rope barriers. The minister quite rightly noted that the Monash University Accident Research Centre reported in 2009 that no data had been found to show that wire rope is more hazardous to motorcyclists than more rigid types of barriers—but then taking comfort from that is like believing that what you do not know will not hurt you.

The important issue here is: given the love affair of road designers with wire rope barriers, can we make them safer for motorcyclists, and if so how? It is pleasing to note that the New South Wales Roads and Maritime Services are supporting research by the University of New South Wales with regard to motorcycle crashes into barriers. Given the rate of deployment of wire rope barriers, I would hope that wire rope barriers will feature prominently in this research. I note that research is continuing.

There have been some welcome developments in motorcycle safety in recent years with the development of Victoria's strategic action plan for motorcycles. The current plan, which has been in operation from 2009, will conclude in 2013. It is also pleasing to note that, since the introduction of the Victorian motorcycle safety strategy in 2002, there has been a 20 per cent reduction in rider and pillion fatalities. New South Wales has a motorcycle safety strategy which is currently in draft form and will be released to the public in due course. Improved rider training and making car drivers more motorcycle aware would no doubt enhance safety outcomes. There were some 198 motorcycle deaths in the year ended April 2012. There is scope for substantial improvement in this statistic through greater commitment to improved safety by state and federal agencies working together.

As the number of road registered motorcycles continues to increase, the issue of motorcycle safety will assume even greater importance. Whilst governments are moving in the right direction, a million motorcyclists around the country warrant an even greater effort to ensure that two-wheel transport is as safe as it can be. By making motorcycle safety issues and motorcycle policy more generally a priority rather than an afterthought, we can achieve better safety outcomes and better transport outcomes. Policy-makers could certainly benefit
from greater engagement with groups representing motorcyclists. Enhancement of the consultation arrangements currently in place can only improve outcomes. For many Australians motorcycling is a way of life and as policymakers in this House we should aim to make the motorcycling experience as safe and enjoyable as is possible.

Mr HAYES (Fowler) (20:26): I thank the member for Cowper for moving this motion. He, too, is a keen motorcyclist. I speak on this motion with a degree of vested interest, as I have been riding motorbikes now for about 30 years and, as the member for Cowper has indicated, it is certainly a way of life and something we enjoy. I know the member for Gilmore also is a motorcyclist. There is something to be said for not simply watching the scenery but being part of it. Those who actually ride do fall into that category. So for me this is a very significant matter to bring to the parliament’s attention.

I also just remind the parliament that in September this year there will be a further Wall to Wall Ride for Remembrance, which will be a ride for police officers around the country. It will take place from the Wall of Remembrance in Sydney at the Domain through to the Wall of Remembrance up here in Kings Park in Canberra. Just about every police commissioner together with a number of members from each of the jurisdictions participate. Last year I think over 1,000 bikes were part of that.

The issue about motorcycle safety is an important one to raise because there is an increasing number of motorcyclists on the road. The rate of registration of motorbikes and motor scooters in the last 12 months grew by 10 per cent. Between 2010 and 2011 the purchase of new bikes went up by 3.1 per cent. There is now in excess of 500,000 motorbikes or motor scooters on the road. Over the period that motorbike registrations grew by 3.1 per cent, car sales dropped 6.6 per cent.

I acknowledge that not everyone who gets on a motorbike or motor scooter might do it for the same reason as the member for Cowper and myself. A lot of people have taken the decision because perhaps it is more fashionable but it is also about affordability, fuel efficiency and, in our congested cities, it makes manoeuvring a lot easier and it is also easier to park. You would see on regular occasions going down Macquarie Street in Sydney or through our law courts area an extraordinary number of people who ride motor scooters either in dresses or suits and ties. It is starting to approach European proportions.

It was only a couple of years back that I, together with a MotoGP star, Chris Vermeulen, was involved with Motorcycling Australia in opening the Motorcycling Australia: Rider Safety program to decrease the number of motorcycle accidents on our roads. Whilst we might enjoy being part of the scenery, the truth is that on the roads it is dangerous. I know the issue that has been raised about wire ropes. I have raised that previously and I know that was something that was hotly discussed in a number of the bike organisations, including the Ulysses Club when I met with them. The road protection measures being installed are things that in a modern society, where we are seeing a growth of motorbikes and motor scooters, we must be conscious of. I understand the issue about the safety wires absorbing vehicle energy but if you are a motorcyclist that energy might be felt slightly differently than is felt by the fender of a modern vehicle. The truth of the matter is there is very little protection on motorcycles—a fact I keep trying to tell my sons. There is significantly less protection and stability than in cars and, as a result, motorcyclists are 23 times more likely to be killed per kilometre travelled than an occupant of a car. They are 41 times more likely to be involved in
a serious accident. This is only a little part of the story. There is also the untold grief that is felt by families and loved ones.

Wearing appropriate safety equipment is something I have always tried to drum into my kids as well. Equipment such as gloves, pants, jackets and boots is essential. Unfortunately 23 per cent of motorcyclists in Australia admit they do not always follow safety guidelines, and that in itself is a big issue. If we are going to get out there and participate in two-wheeled sport or recreation, having the appropriate protective equipment is not an optional extra. It is absolutely essential because that gear really does save lives.

It is important for society as a whole to take a proactive role in reminding everybody that, while the roads are to be shared, there are some of us that are in a more dangerous position than others. It is important to look out for those more vulnerable road users, particularly motorcyclists and those riding motor scooters because, if something happens, they are certainly more likely to be worse off than the car involved. Simple gestures like giving motorcyclists a little bit more room or checking for motorcyclists when opening the car door or even looking for them in the rear-view mirror is not a bad way to start looking out for motorbikes because sometimes the difference between life and death is very slim.

Increased focus on motorcycle safety and awareness of motorcyclists on our roads, I believe, is essential in decreasing the alarming numbers of deaths and injuries to our motorcyclists. Deaths and injuries involving motorcyles are a lot more common, regrettably, than what they should be. Motorcyclists accounted for 16 per cent of our road fatalities in 2011. Those odds are not very good. Compared to other vehicles, motorcycle crashes obviously have a much higher severity rate. Motorcycle crashes represent 6.4 per cent of all crashes recorded but, as indicated, 16 per cent of all fatalities and 10.5 per cent of all persons injured.

We are not going to turn the clock back; we are not going to say that it is not wise to get on a motorbike. We are not going to be able to say that in our bigger and more congested cities that the two-wheel option is not a way to go. The appropriate way to go in a modern economy such as ours is to look at the integration of transport. Motorbikes and motor scooters are an integral part of that modern society. I spoke of people around Macquarie Street, Pitt Street and George Street in Sydney and—I imagine it is the same in Melbourne—in our congested cities the two-wheeled option is something that people are being very much attracted to. That trend will not be reversing. Our transport planners and road safety planners need now to take into account the two-wheel option, which is so readily available to people. Two wheels are more affordable and more fuel-efficient than four. In manoeuvrability and in the access to parking, motorbikes are second to none.

We need to have a concerted view on this. Our planners need to incorporate motorbikes and motorcycle safety into planning our road rules. I take on board the view of the member for Cowper about the wire rope safety barriers. I am not sure what the answer is to that, but there has to be a better solution than what exists at the moment. Whilst they may be an overall safety feature, they are pretty deleterious when it comes to an accident involving a motorcycle. But, once again, I do thank the member for Cowper for raising this. I think it shows his commitment to motorcycle safety, which I applaud—notwithstanding the fact that he rides a Ducati and I ride a Honda! I am sure we always stay well within the road rules,
particularly the appropriate speeds, and I would recommend that to anybody who rides two wheels.

Mrs GASH (Gilmore) (20:35): A few years ago I participated in the annual Motorcycle Riders Association Toy Run in Nowra. I rode as a pillion passenger with local Vietnam veteran Danny Kennedy, and I thank him for the opportunity of the experience. We were joined on the ride by former Leader of the Opposition Dr Brendan Nelson. The ride on Danny's three-wheeler must have triggered some long suppressed and unrequited curiosity in me, because it was not long after that that I started seriously thinking about buying my own bike once again, having ridden many years before in the days when, you might remember, if you lost your licence you could still ride your bike. However, to cut a long story short, I relented to the temptation and bought a Piaggio. For those who do not know, it is a road bike with two small wheels at the front—and no, they are not training wheels! Being a member of the Ulysses Club, I fully subscribe to growing old disgracefully. My only disappointment is that I did not get the chance to ride as often as I would like.

So, speaking to this motion, I am confident in saying that I speak from personal experience. The motion cites a few brief accident statistics and illustrates the vulnerability of motorcycle riders. Between 1998 and 2008 there has been around a 60 per cent increase in motorcycle registrations nationally, an average increase of over five per cent each year. At the same time, accident fatalities involving motorcycles have risen by an average of over three per cent each year.

As an aside, on a recent visit to Indonesia—I—and Mr Champion; I have forgotten his seat!—learned that one bike is built and registered every 10 seconds. Dedicated lanes for motorcycles have been set aside, and the cars have no special priority. Perhaps that is a mix we could explore here in Australia, especially with the narrow roads and lack of correct camber on many of the regional roads. In New South Wales over the last five years road crashes have actually decreased by eight per cent, whereas motorcycle crashes have risen by 17 per cent. As you have heard, in 2007 there was a small fall in the incidence rate, much of which was attributed to efforts of respective state governments. In 2004 the House of Representatives Standing Committee on Transport and Regional Services recommended the development of a national motorcycle strategy. The 2011 Australian Transport Council report cites that motorcycles make up 16 per cent of the road fatality experience while making up only one per cent of traffic.

In 2012 we are still waiting, and the fatalities are continuing to rise. Of particular concern to motorcycles is the growing installation, as you have heard, of the wire rope safety barriers along major roads. The experience in Germany suggests that 82 per cent of motorcycle accidents involved a steel barrier. In 51 per cent of 57 cases analysed, the motorcycle impacted the barrier while it was being driven in an upright position, and 45 per cent occurred when the motorcycle slid on its side on the road surface before it struck the barrier. That alone gives me some cause for concern, not only as a politician but also as a motorcycle rider myself. According to the Motorcycle Council of New South Wales, more than four out of 10 reported motorcycle crashes are single-vehicle crashes. Each year in New South Wales almost 1,000 riders are involved in serious single-vehicle crashes, representing over one-third of all motorcycle fatalities. Almost half these accidents involve excessive speed for the conditions. This does not mean exceeding the recommended speed limit.
This motion is seeking to recognise the incidence of these accidents and to work with state administrations for a uniform code of road building to the world's best-practice standards. Adopting a uniform national motorcycle strategy would be a good start. Much of the road work in place today is designed to cater for cars and trucks. I suppose that on a purely statistical basis that is a logical and pragmatic approach to take, but it does not take into account the vulnerability of a motorcyclist who is not encased in the added protective cocoon that a car or a truck affords. Slamming an exposed human body into a wire guard at a high speed can result in horrific consequences. This motion calls on the government to work with the states and territories to ensure that motorcycle safety assumes increased importance in road design. The motorcycle community often feels that motorcycles are misunderstood and ignored in favour of the needs of car and truck drivers. This motion sends the message that the coalition actively supports motorcycles. Supporting this motion requires no change in policy nor ending any spending commitments.

In 2008 the then Prime Minister met with the Australian Motorcycle Council and said that the government would be working to develop a national strategy to address what he called an appalling situation. The motorcycle community is still awaiting the outcome of those deliberations. In commending this motion to the government, I would hope that a degree of urgency can be attached to the undertaking of the previous Prime Minister. I encourage all politicians to go riding; it is a great way to stay in tune with yourself. So, if you see a yellow flash go by, it could just be me.

Mr MURPHY (Reid) (20:40): I thank the member for Cowper, my friend and colleague, for bringing this motion before the parliament. Sadly, I begin with the obvious statement that at the present time there are no motorcycle-friendly crash barriers. If a motorcyclist collides with a crash barrier, the likelihood is that they will be killed or severely injured on the spot. Tragically, I have become aware of needless motorcycle fatalities in Australia, including in Tasmania, Victoria and New South Wales, as a result of collisions with wire rope crash barriers. There was the accident that occurred a year ago on the Pacific Highway north of Taree, where a motorcyclist from Queensland collided with a wire rope crash barrier and had his leg amputated.

These days, crash barriers have been designed to reduce the severity of a crash when a car or truck leaves the carriageway. The welfare of a motorcyclist who collides with one of these barriers has not been considered. The road authorities that make the relevant decisions are usually indifferent to the needs of motorcyclists, and I believe that is because there is usually no motorcyclist representation on them. Furthermore, sometimes road authorities have been installing the wire rope barriers inappropriately or not according to the manufacturer's specifications, as lane separators or too close to the edge of the road—in which case they are not safe for any type of vehicle. For example, in such positions they can act as a slingshot to hurl the vehicle back into the traffic lane being used by other vehicles. Test footage available on YouTube or even from some manufacturers shows how this can happen.

The wire rope in the crash barrier usually consists of three to five ropes, each about 20 millimetres thick. The strands of the wire rope are much coarser than those used in winch cables. The wire ropes are under tension. The upper ropes pass through a hole at the top of the S-shaped supporting posts. The lower ropes are held in place by criss-crossing between the
posts and are supported by pegs on the posts. Posts are spaced about two metres apart and the barriers are usually between 400 and 600 millimetres high.

Crash barriers can be classed into three types: concrete is classed as being rigid, Armco W-profile metal as semirigid and wire rope as flexible. Wire rope barriers, such as the one made by Brifen, seem to be effective in reducing the severity of crashes, as they absorb energy when cars or trucks hit them. The rigid barriers are less effective, as more of the energy of the impact is transmitted to the vehicle occupants, which results in greater injuries. This is why wire rope barriers are being installed instead of Armco or concrete barriers.

While the classifications of rigid, semirigid and flexible are relevant to car and truck crashes, they are meaningless in motorcycle impacts. Basically, there is no safe barrier for a motorcyclist because all barriers are rigid for motorcyclists. There has been little research into what constitutes a motorcycle-friendly barrier, nor how to make existing barriers less nasty in causing injury to motorcyclists. I am not aware of how or if motorcyclists are simulated in crash-testing. In fact, it seems that there are no real standards for crash-testing of barriers with regard to motorcyclists anywhere in the world. One research report, called Barriers to safety, was commissioned by the Motorcycle Council of New South Wales and can be downloaded from its website.

I believe that road authorities need to consider the needs of motorcyclists before installing crash barriers. These include: firstly, having no barrier at all in some places; secondly, placing the barrier as far away from the roadway as possible; and, thirdly, installing available products that make barriers less nasty. Funds need to be made available for research to determine what constitutes a motorcycle-friendly barrier, and the Australian Motorcycle Council should maintain its representation on the Standards Australia committee on crash barrier design. Motorcyclists have the right to use roads that are made safe to use for the most vulnerable road user, the motorcyclist. Most roadside furniture has been designed for cars and trucks, while motorcyclist safety is not taken into account. It is time to address road safety for motorcyclists, and I commend my friend the member for Cowper for bringing this matter before the parliament.

Mr CHESTER (Gippsland) (20:45): In joining the debate I must say I have been impressed by the contributions made by members on both sides. In my role as the shadow parliamentary secretary for roads and regional transport, issues of road safety are of pressing concern to me both personally and professionally.

This debate, particularly as it relates to motorcyclists, is an important one for us to have in this place. The number of motorcyclists on our roads is increasing, and, when you note that they still only make up about one per cent of the total traffic but account for 16 per cent of deaths, clearly we have a problem and clearly there are opportunities for improvement.

In my electorate of Gippsland, the motorcycling community is mixed. The local community has a very strong way of life, if you like. There are people who do it for recreation but also for commuting use. But then we have a massive influx of motorcycle riders associated with the Phillip Island Grand Prix. Every year we are inundated at least once—maybe twice, depending on the events at Phillip Island. Tragically, almost like clockwork, every year we lose people on route or returning from Phillip Island. The roads we are talking about are the Princes Highway, the Great Alpine Road and the Strzelecki Highway through
Mirboo North. They are very popular motorbike routes, because they are winding and scenic. It is a way for them to get to the island and really enjoy their time getting there and returning.

Unfortunately, some of the riders perhaps mix their ambition with their ability when it comes to riding on some of these roads. When we have this debate tonight we need to be conscious (1) of building safety into the road environment but also (2) of the mutual responsibility that is placed upon motorcycle riders to ride within their own ability levels, to make sure they are not exceeding speed limits and that they are behaving appropriately. It is an important debate, and I do not stand here to chastise motorcycle riders for the freedom and the speed they enjoy as part of their recreational pursuit. But at the same time there are mutual responsibilities for all road users, to drive to the conditions, to recognise their own limitations and to abide by the speed limits.

The motion very clearly raises some important issues, particularly relating to building safety into the road environment. It is an issue that we need to think more about as a community. We have had a lot of campaigns about improving driver and rider behaviour and focusing on police enforcement, but I really think it has been an effort by governments perhaps to divert public attention away from the really big issue, which is the safety of the road environment itself. There is a lot more we can do as governments at both state and federal levels to make roads safer. The emphasis on enforcement and on driver and rider behaviour has been a way for governments to actually hand-pass some of the responsibility away from their own task, which is infrastructure costs. The simple fact is that all the assessment done in road safety over the last five years has indicated that most gains in reducing the road toll are going to come from improving the safety of the road environment, and that is something we need to all aspire to at both state and federal levels.

One of the other issues that has been touched on by previous speakers is about raising awareness among nonmotorcyclists about the other users of the road environment—the smaller users in this case, whether it be motorbikes or pushbikes. I know the member for Cowper is a keen cyclist as well; I have ridden with him, some vast distances at times. It is important that road users recognise the other road users, recognise that 'might is not always right', and that you have to start recognising the small users in the road environment. It is very easy when you are driving a car or driving a truck to say: 'I did not see you. I did not see that motorbike. They were caught in a blind spot.' Frankly, that is not a good enough excuse. 'I did not see you' is not a good enough excuse. We really need to look beyond the blind spot, to take a second look and make sure there is not a motorcyclist or bike rider there in that blind spot. So that issue of mutual responsibility I touched on before extends beyond motorcycle users to all road users. Drivers of cars and drivers of trucks, for example, need to take responsibility for looking for some of these smaller vehicles on the roads. In the time I have left, I just want to mention one promotion that we have done in the Gippsland area in the lead-up to things like the Superbike and the Grand Prix, and that is that we have initiated pit stops in some of our smaller towns, encouraging the motorcycle riders to take a break and get off their bikes, giving them a free helmet wash-down, getting them a free cup of coffee from the local shops and that type of thing. It is a good way of getting the riders to stop and take a break and enjoy some of the smaller towns along the way. It is something that the small communities across Gippsland have been very good at doing.
Finally, in the very brief amount of time I have left, can I just pass on my congratulations for the great achievements of Casey Stoner, a young man who has led the way in his sport and is retiring at the end of this year. We wish him well as he returns to the island in just a few months time. I am sure that many Australian motorcycle riders will be there to cheer him on.

Mr RIPOLL (Oxley—Parliamentary Secretary to the Treasurer) (20:50): It is a great pleasure to speak on this motion, and I commend the member for—

The DEPUTY SPEAKER (Ms O'Neill): Cowper.

Mr RIPOLL: Thank you. I commend the member for Cowper for putting this motion forward. I knew that; it just took me a second to think about it. It is a great motion, because it does draw the House's attention to some really important issues about motorcycle riding and the inherent dangers of riding anything with two wheels, whether it is a motorbike or a pushbike, for that matter. I am lucky enough to ride both and enjoy both immensely. I think they bring a whole range of positive things to people that ride and to local communities, and they can be a really positive thing for the country as a whole. I think there are advantages in riding a motorbike, whether it is a scooter or a bigger bike. I have had all sorts of bikes in my life—some superbikes and some very large off-road bikes. Currently I ride a very nice Italian scooter, a Vespa. It is a beautiful black bike. It is absolutely lovely. From time to time I get around on a Harley-Davidson as well. I try not to admit it too often, but I do love them. They are a beautiful bike. There are some really great things about bikes, and there are some great advantages in terms of being able to commute. They are just a cost-effective mode of transport, whether it is the motorcycle variety or just the push-cycle variety.

But there is no question that anyone who rides a bike knows the inherent danger, and it is quite serious danger. If you ever have a crash on a motorbike, even if it is on your own, your chances of a very serious injury are very high, and death is also a serious possibility. If you are in a collision with a car, a truck or another vehicle then you are going to get seriously hurt. I think the statistics bear this out. I will not go through all the statistics, because they have probably already been mentioned by a range of people, but the statistics just show that, while motorcycle riders make up a very small percentage of the total vehicles on the road, they make up a disproportionately large percentage of those people either killed or injured. I think a quarter of all accidents on motorcycles involve people aged 25 years or younger. It does not take Einstein to quickly make an assessment of the data to tell you that inexperience and big-bore, fast motorcycles are a dangerous combination. These are people who do not yet understand or do not have the depth of experience which makes an enormous difference.

These days I do not get a lot of time to ride a motorbike. It does not quite fit into our, as we always say, busy schedules. The reality of the job we do means we just do not get that much time to ride. When I do I am very conscious of what is around me. I find I am always looking at intersections way before I get there and trying to look into people's eyes through their window to make sure they can see me. There is no point just having right of way, because right of way will mean very little when you are in the hospital. It will certainly mean very little to you or your family.

It is important that those sorts of issues are debated regularly and that we have continual improvement of our road infrastructure and continual improvement of driver and rider education. I think we are going down that path right. I think there are some really great improvements that are being made all the time. There are a number of programs that are
supported by governments at state level, local government level and national level. In fact, the government has introduced the National Road Safety Strategy 2011-2020, which is a fantastic program looking at a whole range of issues about how you make more safety improvements from a rider perspective, from a vehicle perspective, on roads and in a whole range of other ways. We know that that does work and it can make an enormous difference.

Something that is always very close to my heart is infrastructure. If you have better roads, you have better safety. There is no question about it. In all the places where we have made those vast improvements, and the Ipswich Motorway that I have spoken about countless times—one day I will count them all—

Mr Hartsuyker: I wonder why!

Mr RIPOLL: 'Why' is easy: because it is, now, such a fabulous piece of infrastructure. Accidents have dropped off. Deaths on that road have been almost completely eliminated. We cannot say that nothing will happen in the future. But a safe, properly-built, 21st-century-style, modern piece of infrastructure means it is safe for all road users. No-one wants to be involved in an accident, but when you have really bad roads they really do contribute.

People have to take responsibility for their own actions as well. There are inherent dangers associated with riding very big, fast machines. People need to be responsible. They need to obey the laws of the land on all of those issues. So I commend the member for Cowper for bringing on this motion and giving us the opportunity to commend all bike riders and ask that all road users be aware of other people on the road. (Time expired)

Debate adjourned.

GRIEVANCE DEBATE

Debate resumed.

The DEPUTY SPEAKER (Ms O'Neill): The question is:

That grievances be noted.

Mobile Phone Services

Mr HARTSUYKER (Cowper) (20:56): I rise tonight to highlight the government's neglect of mobile communications in regional Australia. As I talk to people in regional Australia about communications problems that matter to them, the most common complaint is poor mobile phone coverage. This anecdotal evidence has been backed up by the 2011-12 regional telecommunications review, which was released by the government last week.

The issue of mobile communications was raised in about two-thirds of the submissions received by the review and in every public consultation session. Good mobile phone coverage in regional communities is vital to maintain social connections, improve safety, and attract and retain workers.

In June 2011 there were 29.28 million mobile voice or data services in Australia, which is up 13 per cent from the previous year. A significant part of this growth in demand is from people who want access to mobile broadband services. Mobile communications are now the norm. Without a reliable mobile phone service you are in danger of being left behind.

The review found that people without reliable mobile coverage are finding it increasingly difficult to fully participate in the digital economy. Unreliable mobile coverage means: 'Businesses are unable to capitalise on advances in technology to improve productivity—for
example, agricultural applications that use mobile technology to record and process data in the field. It is very clear that poor mobile phone coverage is having a significant impact on some regional communities.

Pip and Bill Ryan operate an agricultural business in New South Wales. In a submission to the Regional Telecommunications Review, they said:

We recently installed telemetry units at stock watering points to try and be more efficient with our labour costs and fuel usage. These units rely on having mobile service and so unfortunately are unreliable, as is the coverage. We were very disheartened at this as there is such terrific new technology available but we still do not have the basics to be able to advance any further.

This is not an isolated problem. Nor is it a new problem. Of the 222 submissions received by the Regional Telecommunications Review almost 150 raised concerns about poor mobile phone coverage.

Mobile phone coverage and reliability was the predominant issue raised during the Glasson review into regional telecommunications in 2008. Given the importance of this issue, I question why the government is not taking this issue seriously. In fact, despite improved mobile phone coverage being a key recommendation of the Glasson review in 2008, the government has completely neglected this issue.

Page 132 of the Glasson review states:

Around $145 million has been spent since 2001 on terrestrial mobile phone infrastructure, resulting in new or improved coverage to 560 towns and districts, 62 lengths along 34 regional highways, and near-continuous coverage along 10,000 kilometres of 16 national highways.

They are impressive figures.

Let us look at developments since then. This is a direct quote from page 41 of the 2011-12 Regional Telecommunications Review:

Since 2001, the Australian government has spent around $145 million on improving terrestrial mobile phone infrastructure. This has resulted in new or improved coverage to 560 towns and districts, 62 lengths along 34 regional highways, and coverage along 10,000 kilometres of 16 national highways.

There has been no change since 2008. The government has done nothing to improve mobile phone coverage in regional Australia. Since the election of the Rudd government in 2007 Labor has not spent one cent on improving mobile phone coverage to regional areas. Meanwhile, we have people like Jim Barwick, who lives near Warialda in New South Wales, crying out for something to be done: He says:

… for crying out loud, surely we have a right to be able to make … mobile phone call without having to climb a tree or sit on a silo!

I am under no illusion about the costs of increasing mobile coverage. It is not cheap. But the benefits of improved mobile phone coverage should not be underestimated.

Boorowa Shire Council's submission to the Regional Telecommunications Review is particularly clear about the economic benefits of improved mobile coverage:

Business in general has become more cost efficient through the use of technology, there is a definite productivity contrast between those farmers who enjoy mobile coverage and those that don't. This impacts not only on profitability and competition but will also have a negative impact on land values.

Poor mobile phone coverage is also a hindrance for rural businesses trying to attract and retain qualified staff. Victorian grazier Stuart Croft said:
Whilst some may find the idea of travelling into the outback and being able to get away from the phone quite romantic, for us trying to run a business and trying to attract young, energetic and technology savvy staff, this problem is a source of much frustration and concern and needs to be addressed as a matter of some priority.

Without improved mobile phone networks, it will become very difficult to find young people willing to work in industries like shearing, earthmoving and transport.

Of course, poor mobile coverage is also an additional safety risk for people living and working in regional and remote Australia. A submission from West Australian farmer Jason Syred provides a perfect example:

My wife called me to say that she had hit a kangaroo before the phone service dropped out which left me wondering whether to go looking for her or not and where to head. Directing people to a fire we had burning out of control on our property was a nightmare with everyone's mobile phones being unreliable.

We will never have mobile phone coverage over 100 per cent of Australia. But this issue is too important for the government's 'head in the sand' approach to continue. There are clear examples around Australia where improvements should be made.

Copeton Dam, near Inverell in NSW, is a perfect example of where the government could make a significant difference with a relatively modest investment. Copeton Dam is very popular with waterskiers, fishermen and campers. About 100,000 people visit the dam every year. Unfortunately, there is no mobile phone coverage in the area. Introducing mobile coverage around Copeton Dam would make the dam a safer place for families to enjoy and would make it possible for more people to visit. Many tourists cannot holiday in areas without mobile phone coverage because they need to remain in touch with their business or workplace.

Another specific problem raised with me recently is the challenge of providing mobile coverage in areas with a large seasonal workforce. As I speak, the cotton harvest is in full swing in south-western Queensland. Hundreds of workers come into the area for the harvest, bringing with them hundreds of mobile phones. The local network simply cannot cope with the increase in load. Many workers also find that they have no reception on the farms where they are temporarily working and living.

There is a role for the government in improving the mobile phone network. As I mentioned earlier, the coalition has a strong track record in this area. We implemented the $15.65 million extended mobile phone coverage in regional Australia program, which improved CDMA coverage in 62 locations. The coalition also funded the Towns Over 500 program, which improved mobile coverage for 131 towns in regional Australia with populations of more than 500 people. The coalition funded the $25 million Mobile Phones on Highways program to improve coverage along major Australian highways. We also funded the $19 million Mobile Phones on Regional Highways initiative. We implemented a significant number of small projects worth more than $10 million through the Networking the Nation initiative.

The Labor government failed to make any improvements to mobile phone coverage in Australia after the Glasson review. This must not happen again. The government has six months to respond to the Regional Telecommunications Review. This time, regional Australia needs action from this government. The government is spending billions on the NBN to replicate existing high-speed broadband services delivered over HFC cable. We do not need billions to improve the mobile phone network. What is needed is targeted, modest investment.
I have already outlined the reasons why this investment is necessary. In fact, many of the arguments in favour of government investment in the mobile phone network are the same arguments the government uses to support the NBN. If more motivation is needed, the Regional Telecommunications Review makes a clear recommendation to the government to invest in the mobile phone network. This is basic stuff for any government that understands the needs of regional Australia. Five years of inaction is not good enough. I am calling on the government to accept the recommendations of the regional telecommunications review and start investing in Australia's mobile phone network.

**National Disability Insurance Scheme**

Mr NEUMANN (Blair) (21:05): I am aggrieved at the attitude of the federal coalition parties in Canberra and to the attitude of the state LNP government in Queensland with respect to disabilities and disability services. For nearly 12 years as the demand for disability services grew and as disability pensioners struggled with the cost of living, the coalition here in Canberra ignored them. There was inadequate funding for disability services, they ignored the inadequacy of the disability support pension, and they sat on their hands as the demand for disability services increased. In fact, Commonwealth expenditure in relation to disability funding grew at a measly 1.8 per cent a year less than inflation. In fact, funding went backwards in real terms. Even in the last federal election they left out 158,000 students with disabilities and their families in their education card policy. Under the previous coalition government, people with disabilities had to wait up to a year to get help in terms of work through disability employment services. Even then they had their access to their pension reviewed.

So the number of people on disability pensions kept growing and growing under the coalition's Welfare to Work changes. Then it comes to the National Disability Insurance Scheme, where they have had every position possible—an 'aspirational' policy; that is what the Leader of the Opposition described it as. Then we had the shadow Treasurer rejecting the idea of a 'constructive cooperation' approach on a National Disability Insurance Scheme and saying he was not going to raise expectations and then not deliver, describing a billion dollars in the budget for a National Disability Insurance Scheme, kick-starting it a year earlier than was in the Productivity Commission report, as a 'cruel hoax'.

Then we had the Leader of the Opposition, in an extraordinary press conference outside of Parliament House, have about four different positions with respect to the National Disability Insurance Scheme; so much so that he was asked whether he had had an epiphany—so much was his position different from what he was saying when he was discussing the issue on the Pollie Pedal. Then, channelling his famous interview with Kerry O'Brien, he said:

Look, I was exhausted and emotional as you can imagine on the last day of the Pollie Pedal. He was describing why his views were different in the press conference he was having at the doorstep of Parliament House from what they were previously.

In that particular interview with the journalist he said it was important to stick to the Productivity Commission's timetable—in other words, not agreeing to bring the funding forward a year, as we have done in this budget. Then, part way through those interviews, he describes it and goes on to say that it should be 2020—a time when the budget would get back to surplus—and one per cent of GDP, a rough-and-ready definition as a strong surplus at the
time. Incredulous were the journalists at the time, so much so that Senator Mitch Fifield actually had to pick up the pieces, come behind and say that the coalition supported the roadmap set out by the Productivity Commission. So the coalition has had every position possible.

But it does not stop there. At a state level, the then shadow Minister for Disabilities, Tracy Davis, celebrating the valuable contribution Queenslanders with disabilities make to our community, on 3 December came out and said:

The National Disability Insurance Scheme is a vision for providing increased independence and participation for people with disabilities, but there needs to be an effort made within the existing system as well.

Then the LNP at the state level promised, from what they said on their website on 17 March 2012, that they were going to deliver real support for Queenslanders living with a disability and their families and carers. This is what they said:

The LNP also supports the intent of the National Disability Insurance Scheme … and we will work with other jurisdictions and … stakeholders to ensure that this scheme is funded and has a particular focus on regional and rural Queenslanders with a disability.

When the Together Queensland union actually asked the LNP about this, they said on three occasions in answers to very specific questions from the Together Queensland union that the LNP supports a National Disability Insurance Scheme. In fact, one of those questions was:

Will you commit to resourcing Disability Services based on identified client needs?

And they said:

The LNP is committed to a Disability Services scheme where the needs of the client are the focus.

They make it plain:

The LNP supports the establishment of a National Disability Insurance Scheme …

… the LNP supports a National Disability Insurance Scheme …

They keep saying it and saying it and saying it. Then, when we delivered $1 billion in the budget for it and said that the states had to contribute only $288 million—in fact, we are putting up 78 per cent of the money—they criticised us about it, saying they are not going to put forward any money towards it. In fact, they say they are going to have to pay down what they describe as Queensland's 'massive debt', which is a greater priority. In Queensland, historically the per capita basis of funding for people with disability is only $5,830, while Victoria's is $8,378. So, historically, neither side of politics has done particularly well in Queensland in relation to this.

When it comes to this issue, Campbell Newman is resisting it—it is quite clear. In fact, he attacked us when we put forward the $1 billion commitment, saying that it would go towards bureaucracy and a computer system. He made fun of it, actually, despite the fact that the Courier Mail said that it was important. But the Leader of the Opposition in Queensland, Annastacia Palaszczuk, really belled the cat very well. With our scheme, on 1 July 2013, we are going to have 10,000 Australians covered and 20,000 will be covered by 2014-15. She said that, if Mr Newman and the LNP government in Queensland do not come to the party, 'not one of those 20,000 people will be a Queenslander'. So I call on them to take steps. Fiona Anderson of the Every Australian Counts organisation made the point in an article appearing on her website on 12 April:
BEFORE the state election, Campbell Newman said: 'We will ensure Queenslanders with a disability get a fair go from the rollout of the National Disability Insurance Scheme.'

But not if they do not come to the party. As she said:

But the fair go for Queenslanders is off to a shaky start, with uncertainty about Queensland's participation in the NDIS …

It is important that we give lifetime care for people and roll this out. I call on the LNP government in Queensland to take steps to put aside the partisan politics around the National Disability Insurance Scheme, approach this in a bipartisan fashion and cooperate. We think it is particularly important.

NDIS advisory group member Fran Vickery made this point very clearly recently. She said that the NDIS would not replace disability pensions or carers allowance. She also urged state governments not to decrease the funding of disability services because of the federal government's NDIS. She said:

It will take all levels of government to help the disabled with services.

I agree entirely. In fact, if you want to put aside even decency, humanity and compassion, it is quite clear. According to the Productivity Commission, if we had more people with disability in employment by 2050 we would raise $32 billion into the Australian economy every year. If you were an economic rationalist, you would support a national disability insurance scheme in any event.

A lot of people in my local area are supporting it. Recently, the Minister for Disability Reform, Jenny Macklin, came to Ipswich to attend Focal Extended. There are a lot of local advocates for this in my area, including principals and deputy principals from special schools including Ipswich Special School, Ipswich West Special School and Claremont Special School, and Peter and Linda Tully, who are local advocates for it. In fact, in the Ipswich community they are the real advocates for it because they are the local coordinators of the Queenslanders with Disability Network. They have been terrific with the support of their local church, Catalyst Church, and Ipswich City Council. I met with them on Friday and they urged me to do everything I possibly could to make speeches and influence this matter, and they would advocate the program with the new local state LNP members. It is important that they come to the party as well.

Like many Queenslanders, I am concerned about the Queensland government's attitude to this. It is important they play their part. We are advocating that Ipswich be one of the four sites. It is ideal, as the Minister for Disability Reform has said, that we have a place like Ipswich involved in this process. But the people of Ipswich will not get one of the first launch sites if the LNP government in Queensland do not come to the party and cooperate. I urge them to do so. Our funding is a sign of good faith to all the states and territories, including Queensland, to say we are eager and willing to be partners in reform. We want them to work cooperatively with us. We do not want them to play ducks and drakes on this issue. We put money on the table. We want them to come to the party and we want them to see sense and fulfil the commitments they made in the last state election.

**Australian Technical Colleges**

**Mr HAWKE** (Mitchell) (21:15): I rise tonight to raise a longstanding grievance about Australian technical colleges. This government is failing to address the nation's skill
shortages. The reason I rise tonight is that the failure of this government in skills training and technical training in Western Sydney has become such that it bears raising in our national parliament. To underscore the seriousness of what I am saying, the participation rate in northwestern Sydney—Blacktown, Penrith, and the Hills and Hawkesbury shire council areas—was down to 59 per cent in April 2011, basically a halving of the participation rate among 15- to 19-year-olds in Western Sydney. Youth unemployment also remains too high in Western Sydney.

The government vaunts its skills agenda as one of its main priorities. The coalition has had a longstanding history with technical colleges. The Howard government's technical colleges provided trade skills to young people that were relevant to employers in conjunction with industry. The Howard government established 24 Australian technical colleges, tackling the nation's skill shortages directly. The key words here are 'relevant to employers'—that is, jobs focused on outcomes.

The Howard government had committed to establishing another 100 trade schools, but this program was cancelled in 2007 by the Rudd government. Labor's answer instead was trade training centres, effectively classrooms within regular schools designated for trade work—something completely different and an alternative to what we were talking about with the technical colleges. Once again, Labor's approach is a one-size-fits-all policy. Trades based learning cannot be in the same environment as academic learning and the needs of these students can be very different. That is not to say they are always at odds, but the combination of this, with an outcome and a focus on getting a job and getting the skills required to do a job, must be at the forefront of skills training, and technical colleges are a very viable way of achieving this.

To think that one classroom based in an academic school teaching a trade based skill on a part-time basis will produce the same outcome as a full-time school dedicated to specific, identified, industry based skills is absolutely absurd, particularly when you think about how placements can be weeks at a time for some of these young people involved. In typical Labor fashion, they substitute the impractical for the practical. Even when Kevin Rudd came to office—and we hear he may become Prime Minister again—we heard this unbelievable promise about skills shortages: that he would start 2,650 trade training centres. The latest figures have come in and there are just 160. Kevin Rudd, Prime Minister, promised 2,650 trade training centres and we have 160. It is typical of this government's short-sighted approach to all of its policy development. On top of this, they have now frozen the program until at least 2015-16. Dedicated trade technical schools have a curriculum based on real-world skills formulated by direct engagement with industry associations and employers, ensuring students graduate with the skills needed in their chosen industry.

This is such a grievance of mine because this now is affecting the Anglican Technical College in Western Sydney on the border of my electorate, in the electorate of Greenway. A critical training facility in Western Sydney, the Anglican Technical College is a school based trade training facility and registered training organisation established at Glenwood. The college produces career-ready apprentices in many skills based industries. These include hospitality, building, construction, electrotechnology, motor trades and plumbing. The Anglican Technical School maintains strong links with all of the industry associations: the
master builders, motor traders, restaurants and caterers, master plumbers and the master painters. All of these say that this is the model that is producing the people they need to fill their employee skills shortage—the apprentices they want, ready to go on the job. Engagement with these industry bodies ensures that the college produces the apprentices that the industry actually wants and needs. Working closely with industry provides a school based path to the HSC and apprenticeships in a way that TAFE does not. This is not to disparage the TAFE system or the importance of it, but it is a vital employment based outcome. It is absolutely appalling of this government, just because it is not its program, to suggest that this is not valuable, not needed or not helping a segment of our economy.

Each year the Anglican Technical College of Glenwood supports about 100 students in getting their HSC. The college is a proven success. Between 2008 and 2010, 250 out of the 276 students had continued full-time apprenticeships after graduating from the two-year program. Many students are not suited to the academic environment: 45 per cent of students have been diagnosed with a learning difficulty, and the dedicated skills based environment allows those students, who felt marginalised in an academic classroom, to focus on practical assessments in the areas that they are passionate about. Again, this is a massive success story.

The college started in 2007 and has moved a number of times. But when you think that each year 40 per cent of students do carpentry, 15 per cent electrotechnology, 10 per cent plumbing, 15 per cent automotive—all of the different crafts and trades, all with industry associations, all with outcomes needed—you get an understanding and a flavour of what is going on there.

There are all kinds of facts and figures that you would think a good socialist ALP member would come to the table with. There are people from all kinds of backgrounds, generally people who have very great difficulty: 25 per cent were born overseas or have parents for whom English is not their first language. Seven to 10 per cent are of Islamic background. Ninety per cent have never achieved well academically at school, although they are very bright. The college draws students from across Western Sydney. They all come to the college to get wonderful skills and a great outlook. It is a great success story and something that we have seen time and time again to be a proven achiever in this space.

Then we have the current Prime Minister's view on this great success story in the vital electorate of Greenway in Western Sydney. In 2008 the Prime Minister, as Minister for Education and Workplace Relations, answered a question in relation to her ideological pursuit of these technical colleges. They were not her government's idea. She was against them from the beginning. She preferred academic trades training centre based learning. Why does that have to disrupt what is going on with these already capital-intensive, constructive facilities achieving great outcomes in conjunction with industry for kids from very low socioeconomic backgrounds? Ideology is the answer.

The Prime Minister, as the then Minister for Education and Workplace Relations, cited cost. In her answer to a question from the member for Wakefield on Wednesday, 24 September 2008, she said that the training cost under this model, the Australian technical college model, was $100,000 a student. She said that that was a massive blow-out. That does sound like a lot of money, but the Prime Minister failed to tell—and this goes to the heart of her integrity in relation to policy matters—that that was inclusive of the capital costs of the facilities per student. It is completely unreasonable to put into the training costs the capital
required to buy the land, to put up the building, to construct the facilities and then suggest to
the parliament that that is an annual training cost. That was not the cost of these facilities
training their students at these facilities. It was a total misnomer to suggest that. The reality is
somewhere between $12,000 and $20,000. It is expensive, but it is valuable.

They come out with employment skills. They go into employment. This is a great saving
for government in the long term, because young people, instead of being on the
unemployment queues, instead of being unable to find jobs in some areas or not participating
in the workforce, get a job, get a trade, get something they want to do. Ideology should have
very little place in what is practically delivering these benefits for these young people across
Western Sydney.

I am grateful to my colleague Marise Payne who identified that the Labor budget, in their
Skilling Australia for the Future policy document, committed to a $2.5 billion plan to build
trade training centres in all of Australia’s 2,650 secondary schools for the one million students
in years 9 to 12. This sounds like a noble endeavour. But Western Sydney missed out
completely on this huge policy that was allegedly to build 2,650 centres. How many of those
have been constructed? One hundred and sixty, and none in the high youth unemployment
zone of Western Sydney. It is not good enough that there has been a decision not to proceed
with the Australian technical college in Penrith, a critical part of Western Sydney, and to cut
federal funding for the Glenwood Anglican Technical College, which is producing such great
outcomes for the young people of Western Sydney. Ideology should not play a part in policy
delivery in relation to outcomes for the youth of Western Sydney and their employment
chances. It is of great concern to me that these people are being left behind, and that colleges
and facilities that are working and delivering the training for young people are now facing
closure because of the mindlessness of this government and ideological pursuit of their own
policies.

Newcastle Electorate

Ms GRIERSON (Newcastle) (21:25): It is with great pleasure and pride that I rise tonight
to share with the House the fabulous news that funding to my electorate of Newcastle from
the federal Labor government now exceeds $2 billion, and we are still counting. This is a truly
wonderful investment in a great city, a very special community and a very resilient economy.

Since the election of a federal Labor government in 2007, Newcastle has received
significant attention, attention that recognises our importance as a regional capital city,
attention that supports the knowledge and innovation agenda we have built to continue the
diversification of our economy and attention that acknowledges the importance of the strong
community, business, social and welfare organisations that underpin our city.

It is investment that keeps our economy strong and sustains our unique quality of
community life. The biggest spend has been for infrastructure, and what a spend that has
been. Well over $1.2 billion in total; too much to detail here, but let us look at some of the
big-ticket items and the story they tell about Newcastle.

First is the federal investment in the knowledge base of our economy. There is $35 million
to build the Hunter Medical Research Institute, $30 million for the Newcastle Institute of
Energy and Resources at the University of Newcastle, almost $15 million for infrastructure
improvements at Hunter Institute of TAFE and over $31 million to the University of
Newcastle. Add to that $20 million for the Clean Energy Innovation Centre and the importance this government places on knowledge and innovation is crystal clear.

These major hubs for medical research and clean energy research reflect a region that strides into the future with confidence. We learnt over a decade ago that relying on a single employer or industry like BHP and steel making had serious limitations in a global economy. We strive to stay ahead through innovation, and that is why our manufacturing sector bucks the national trend and creates more new jobs than it loses. Whilst every job loss is one too many, it is some relief to know that as jobs are lost in our region jobs are created at new manufacturing centres such as Westrac and Sandvik and in long-standing firms like Varleys and Forgacs, completing major defence contracts that exceed $400 million.

To complete the knowledge picture almost $94 million was invested by this government in 21st century school infrastructure, with an additional $30 million invested in trade training centres for 11 high schools in my electorate, and $8.8 million for computers in our secondary schools—almost 9,000 computers that our students never had until a federal Labor government was elected.

The University of Newcastle has excelled with over $197 million for innovation and research grants awarded since we were elected in 2007. Around $64 million has been awarded to the Australian Solar Institute and the CSIRO Energy Centre in Newcastle for their ongoing research into clean energy. It is this research that will underpin commercial enterprise that will be encouraged through our Clean Energy Finance Corporation and that will, we hope, lead to new, greener industry.

And do not think any of this happens by accident. By working with stakeholders and assisting them in building their case with government I have been able to make sure Newcastle was ahead of the game when it came to clean energy. We also host the $100 million Smart Grid, Smart City Project led by Ausgrid—once more building on our strengths in energy distribution and energy research to lead change and innovation that will benefit the nation.

Other regional and community infrastructure spending of $30 million has helped to provide a suite of modern tourism and leisure facilities for Newcastle: $10 million for the Hunter Stadium, $2 million for No. 2 Sportsground, $410,000 for the Empire Park Skate Park, $8.5 million for the Newcastle Museum and $7 million for the Newcastle Art Gallery. These modern facilities mean we can host national and international events like the 2013 Special Olympics Asia Pacific Region Games, the upcoming Qantas Wallabies versus Scotland rugby international match, the Archibald Prize touring to Newcastle, the 13th Australian Transplant Games and further skateboarding competitions such as the Hurley Australian Bowl-Riding Championships, the first national skateboarding competition which was held in Newcastle in January this year. This means, of course, a more vibrant city with increased opportunity for those working in the hospitality, leisure and sport sectors.

We are also a city known for the heavy lifting that we do in industry and freight, so big funding has come our way for roads and rail. There was $51.8 million to complete the Weakleys Drive overpass, $580 million of more than $1 billion to improve the coal chain into the Port of Newcastle, $24 million for the Hexham freight loop and $20 million for the high-speed rail study. Although it is not counted in the $2 billion, $840 million for the North Strathfield to Newcastle freight rail corridor improvements and the $1.3 billion Labor spent
on the Hunter Expressway mean big dividends for my city, new investments into the freight and logistics sectors and great savings in time and money from improved efficiency. Add to that over $7 million to fix 25 black spots and almost $6 million for Newcastle City Council roads and it is clear that the federal Labor government has been serious about keeping regional economies and regional communities strong.

Other major employers in our city and major drivers of our regional economy, RAAF Williamtown and Hunter Water, also received major infrastructure grants, $19 million for improvements at our air base but also to support growth at the co-located Newcastle airport, and $8.85 million to Hunter Water for a water recycling project. Newcastle City Council has received around $46.5 million in financial assistance grants to continue its work for the city. Novocastrians are very proud of their natural environment. In fact, we are one of the few cities that can boast an international Ramsar wetlands within our city's boundaries. Across five federal grants the Hunter wetlands has received funding of over $3.24 million. This is a great investment into a great environmental enterprise that brings international researchers, environmentalists and tourists into our city.

Although it is more difficult to break down the massive increase in health funding to the states by each electorate, Newcastle has benefited from specific federal funding for GP after-hours access service, the very service that was the model for the rollout of after hours services around the country. Now funded by the federal Labor government as Hunter Urban Medicare Local and currently piloting the e-health records trials, the HUML is leading primary care in Newcastle. We also funded imaging equipment, facilities and associated Medicare payments at the Mater and John Hunter hospitals, as well as $200,000 for the Hunter Dementia and Memory Resource Centre and almost half a million dollars for upgrades to two GP practices.

As the Labor government we know that keeping our economy strong allows us to spread the nation's wealth more fairly. On the social front in Newcastle over $42 million to economic stimulus payments was paid throughout the GFC. These payments kept money flowing into our retail and other sectors and meant the economy continued to grow. So we drove through the biggest economic downturn in 60 years, with some pain but without the devastation experienced in too many other OECD countries. One standout funding area has been more than $30 million invested in housing projects in Newcastle. For too long the federal government under Howard neglected social and affordable housing. Increased homelessness has been the modern experience and can be linked to too little investment into housing, mental health, disability support, financial counselling, training and employment programs and early intervention programs by welfare organisations for disadvantaged groups in our communities: Indigenous, young mothers, youth, refugees and others. Under federal Labor, community and welfare programs have been given a much-needed boost and Newcastle as a regional hub for special services has been a major recipient of that funding. Let us not overlook the introduction of paid parental leave this year and the increase to the childcare benefit which has benefited families throughout Newcastle and the nation.

In conclusion, an analysis of the funding to Newcastle since the election of the federal Labor government in 2007 shows that our diverse economy means we have picked up considerable funding across a wide range of federal programs. It also reveals a true commitment to building regional Australia through infrastructure spending rather than through regional pork-barrelling that meant very lean times for Newcastle under the previous
Howard government. It also reveals that Newcastle stakeholders have been able to work together with me to build clear agendas and advocate strongly for those agendas with me here in Canberra. The benefits of those strong partnerships will continue to flow into our city. The NBN will be rolled out to 94 per cent of households in Newcastle, beginning within the next three years, after some great advocacy by RDA Hunter, Newcastle University and my federal colleagues. The application by the University of Newcastle to expand its CBD campus is under consideration and with payments and tax breaks from the budget and the clean energy household assistance package still on the way, our future indeed looks bright.

Carbon Pricing

Mr IRONS (Swan) (21:34): I rise tonight on the grievance debate with an issue that is relevant to this very day. The event today is a symptom of our economy—and this is what links us to my grievance issue—which is also going to nationally cause more issues like what happened today. In no way am I trying to link today's event with anything else. But what is said in the normal process of administration will bear out the real reasons for that event.

As the House is aware, I own and have had experience in running a business in the air-conditioning, heating, ventilation and refrigeration sector for over 25 years, and I know many of the good people working in the industry across the country. Many of them have become clients of mine and lifelong friends. That is why it is with particular sadness that I learnt with the rest of the country this morning that almost 2,700 workers had been stood down in Victoria, New South Wales and the ACT after the Hastie Group was placed into administration.

Hastie describes itself on its website as the 'leading international designer, installer and maintainer of technical services to the building and infrastructure sectors, mechanical, electrical, hydraulics and refrigeration'. As such, many of the workers who have lost their jobs today will be in the refrigeration, air-conditioning and heating sector of the economy.

The subsidiary of their company in Perth is DESAIR, which my company has had many dealings with from years ago when it was first known as Direct Engineering Services. Direct Engineering Services were pioneers in the air-conditioning industry along with Whitchurch Refrigeration and Airconditioning in the north-west when the mining industry was just starting to launch. At the time, I worked for a company called Dunnair, a national company, and the principal of that company, Rob Dunn, supplied air-conditioning units to the north-west that are still operating today.

This is obviously a tough time for this sector, and I put it to you that this is absolutely the worst time to be contemplating the introduction of a carbon tax, which is causing massive concern across the industry sector.

On 14 May, like many other members of this place, I received a letter from Phil Wilkinson, CEO of the Australian Institute of Refrigeration, Air Conditioning and Heating, with his communique to government in relation to the carbon tax and the particular mechanism in the carbon tax that targets refrigerant gases.

Refrigerant gases have been dealt with through a carbon equivalent levy under the carbon tax package. This levy will apply to two refrigerant gases, hydrofluorocarbons, HFCs; and sulphur hexafluoride. Refrigerant gases consisting of HFCs are also referred to as synthetic greenhouse gases. HFCs are non-toxic but classified as having global warming potential.
Their use is widespread in cooling and heating buildings, in preserving food and in transport. As AMCA, the Air Conditioning and Mechanical Contractors Association, state in their position paper:

HFCs will only affect the atmosphere and have a global warming impact if they escape or if the plant is leaking and the refrigerant plant and the refrigerant gases closely controlled through the Australian refrigeration council licensing system.

If this government or the bureaucrats who have designed this carbon tax with potential loadings had bothered to investigate, they would have realised the industry is not allowed to release refrigerants into the atmosphere. This protocol was introduced during the ozone layer depletion scare period, and as such the regulations forbid release of ozone depleting gases and the wholesalers who sell refrigerants have to actually keep a record of who and what quantity of gases are purchased by contractors. This was also balanced against a record of who and what quantity of gases are returned by the same purchasers and, if there is a severe imbalance, that is followed by an investigation where that particular contractor or purchaser can lose their license.

With this government's wealth distribution policy, Australia has now become the only country in the world to apply a carbon tax on HFCs other than Norway and Denmark. In basic terms the price impact of this levy on refrigerant gases is to be in the region of 300 per cent to 500 per cent. In 2010 it is calculated that some 5,700 tonnes of refrigeration gas was imported. No wonder this government has taxed the HVACR industry.

As the industry points out, such a large impost will have to be passed down the supply chain to ultimately be paid by small businesses and consumers. The industry is made up of many small-scale businesses across the country. Many other small businesses rely heavily on services provided by the industry so that they too can operate in the business world. Think of butchers needing refrigeration; hotels and aged-care facilities requiring heating; or in fact any business that needs air-conditioning during the 40-plus-degree days of the Australian summer. Your local deli or milk bar requires refrigeration.

Then we have the Minister for Climate Change saying that it is only going to cost $4 per fridge. If the minister bothered to get out of his climate change tower, he would know that one supermarket alone can hold up to 250 kilograms, and a typical cool room system will hold around 10 to 30 kilograms. Based on some of the figures, this could see rises in costs to the businesses of enormous proportions, which blows out of this atmosphere the minister's '$4 per fridge' statement.

There is concern for the viability of the businesses and jobs are at risk, with an estimated 160,000 individuals and a value in 2006 of approximately $16 billion. In total, this collection of small businesses is estimated to be responsible for systems and equipment that contribute as much as seven per cent of Australia's greenhouse gas emissions. This will equate to an estimated $300 million liability under the carbon tax. While other industries are attracting industry assistance packages from this government, the heating, ventilation, air-conditioning and refrigeration industry is not. In fact, the government to this point has not even held a roundtable meeting with this industry sector. As VASA, the Automotive, Airconditioning, Electrical and Cooling Technicians of Australasia, said in their carbon tax position paper on refrigerants:
There has been no consultation with the industry on the design and effectiveness of this tax, and no examination of alternative ways to minimize emissions in the sector.

So this is the context in which this industry finds itself in relation to the carbon tax.

I now want to go into a few specific examples which demonstrate why there is so much concern in the industry and why they have issued such a detailed communique to the members of parliament. With the estimated 300 to 500 per cent increase in costs being so severe, there is serious concern about the creation of a black market, and evidence from overseas suggests this to be more than just a likelihood. In their position paper, the VASA referred to the 'enormous market for refrigerant smugglers' that was created when the US put a large tax on CFCs. They state that 'for a time CFCs were one of the most smuggled items into the United States' and that the tax was withdrawn as a control mechanism in subsequent legislation. It is worth noting that the evidence suggests that CFCs and HFCs are extremely price inelastic, which is why the focus in the past has been through Montreal protocol mechanisms. So ultimately this huge tax impost will be passed all the way down the line to businesses and the consumer, and the government thinks $10 a week is adequate compensation!

However, the government is not listening to the industry, and I think the institute sums up the current frustration of all these groups when they say the following on page 12 of their communique:

There are very few senior policy makers, in any of the Australian Government agencies that are charged with an industry, energy, environment or climate change focus, who have a familiarity with or any profile within the HVAC&R industry. Of these, there are even fewer Australian Government bureaucrats who are well known to HVAC&R industry stakeholders because of their work on Synthetic Greenhouse Gases (SGGs) or on energy efficiency. The disconnect between DCCEE and DSEWPaC is a significant concern to the industry because it creates confusion around the implementation of the regulation.

The Air Conditioning and Mechanical Contractors Association of Victoria Ltd concurred that industry has not been appropriately consulted. The Commonwealth government, at their recent meeting with the industry, clearly emphasised that they are seeking feedback on implementation and interpretation issues in the exposure draft legislation rather than policy positions. They have not been presented with any adequate Treasury economic models and forecasts.

The industry is still, even at this stage, seeking meetings with senior members of the Australian government. I urge the government, in the five weeks we have left before the carbon tax becomes a reality, to talk to this industry. The ramifications from this 300 to 500 per cent increase are more significant than the government has factored for. The government must talk to the institute and the bodies which it represents, including the Australian Institute of Refrigeration, Air Conditioning and Heating; the Australian Mechanical Contractors Association; Refrigerants Australia; the Australian Refrigeration Equipment Manufacturers Association; the Chartered Institute of Building Services Engineers; and the Australian Refrigeration Association.

In the short time I have left, I will say that the industry has been on a 20-year journey, moving to better, non-ozone-depleting, lower global-warming and more energy-efficient refrigerants. There is a solid track record in this area, with Australia currently well in advance
of its international obligations in terms of HCFC phase-out. The current proposals under consideration internationally offer the most sustainable path to significant and meaningful refrigerant emission reductions over the medium term. I would like to offer my support to that industry.

Hindmarsh Electorate

Mr GEORGANAS (Hindmarsh) (21:44): I am very pleased to be able to speak tonight in the grievance debate. I suppose that the grievance debate offers us members an opportunity to talk about the good things that are happening in our electorates and the great projects that are coming to fruition as well as the many organisations that we visit, see and discuss issues with in and around our electorates.

Tonight I am going to highlight some of the good work that is being done in the Hindmarsh community and some of the fantastic community events being run locally. I will also highlight some of those fantastic infrastructure projects in my electorate that have recently received funding from this Labor government and some that I hope will receive funding soon or in the very near future.

Recently we all attended Anzac Day ceremonies in our electorates. I was very honoured to attend the Anzac Day dawn service at the Henley and Grange RSL. The dawn service attracted around 5,000 people. There were high schools represented on the day, even though it is not a school day. There were students there representing their high schools and laying wreaths from Henley High School and St Michael's College, the two biggest high schools in the Henley and Grange area.

There was a breakfast that followed straight after, and there were many people there who I spoke to and met, but I had to leave fairly quickly to get to another RSL in my electorate, the Hilton RSL, which my wife, Wendy, attended on my behalf to lay the wreath at the dawn service. Certainly, there were quite a few people there. It is a small RSL but a very active RSL and a very active community in and around the Hilton area. They will soon receive new club rooms through a project that the local government—the West Torrens council—is funding. They are going to create a community hub, and within that hub there will be the new RSL for Hilton.

On the Sunday before Anzac Day I also attended a service for the Plympton Glenelg RSL, which is in my electorate. Unfortunately, I could not attend that one on that day, but my staffer, Maureen Maclean, attended that. But there was a service and a light lunch that they held on the Sunday beforehand, which we attended. Again, that is another very active RSL that does great work, with a great number of members who are very community minded. They offer a whole range of services for the veterans—everything from a pension officer right through to personal support for many of their members.

On 26 April, the day straight after Anzac Day, I attended the Henley High School which had a wreath-laying service as well. I was their guest speaker on the day and spoke to them about what Anzac Day meant to me. It was interesting when we were talking about Gallipoli and looking at the sea of faces in the auditorium at Henley High School; many of those soldiers who gave their lives and died in Gallipoli would have been not much older than, if not the same age as, many of the students who were there. I would like to congratulate the Henley High School for putting on an Anzac Day service, even though it was the day after
Anzac Day, to get the students to get the feel of Anzac Day and to ensure that it gets passed on to the next generation of Australians.

I also attended the 217th birthday celebrations of Captain Charles Sturt held by the Charles Sturt Memorial Museum Trust Incorporated. The special guest was Parliamentary Secretary Senator Don Farrell, who is a senator for South Australia, and the Hon. Dean Brown AO, who is the patron of the Charles Sturt Memorial Museum in my electorate. The memorial museum is actually the house where Captain Charles Sturt lived in South Australia. It has been restored, and it is an absolutely wonderful historical piece of work. Don Farrell was the guest speaker that day and, as I said, as the Parliamentary Secretary on issues that deal with water, it was interesting to connect the water that we talk about so much today to the Charles Sturt Memorial Museum and to Charles Sturt himself who, as we all know, navigated up the rivers of the Murray-Darling. On 6 May, I attended the 2012 commemoration service for the Battle of the Coral Sea. I represented the Prime Minister and laid a wreath on her behalf. It was a very special day, commemorating the Battle of the Coral Sea, a very important historical event that changed the face of the Second World War.

I have many older constituents in my electorate; it is one of the oldest seats in the country. I was very pleased that on 9 May the Italian Pensioners of Thebarton & Suburbs Inc had a Mother's Day lunch. Unfortunately I could not attend—I usually attend every year when I am in Adelaide—but my staffer Maureen Maclean went. I would like to congratulate Frank Violi, the secretary and president, who has been running this club for a long, long time, offering support to many older Italian pensioners within the electorate of Hindmarsh. I have a lot to do with them. Frank is constantly calling our office about issues to do with pensions and with Centrelink for many of his members. I am very grateful and lucky that a member of my staff, Frank Barbaro, speaks fluent Italian and helps these constituents as much as he possibly can. I am learning a little bit of Italian but am struggling with it. Hopefully I will be able to converse in the near future. I am trying to learn from Frank in my office as much as I can. I occasionally do have the odd chat with Italian constituents. I might understand bits and pieces of what they are saying, but I am sure they do not understand a word of what I am saying! But I am working on it.

I also attended recently, on 11 May, the Immanuel College commemoration service and the opening of its 'memorial cabinet'. I represented the Minister for Veterans' Affairs. The memorial cabinet is a historical cabinet which commemorates veterans who were former students of Immanuel College who went away to war and never made it back home. It was a very interesting day. We had descendants and relatives of some of those young men that perished in battles in World War II and Gallipoli in attendance. It was really interesting that some of the students at the school are actually descendants of those soldiers who gave their lives for us to have a better world and to enjoy the fruits of today's Australia. It was a great service and a great day.

On the same day, I also attended the Vietnam Veterans Federation South Australian Branch memorial and wreath-laying service to commemorate the battle for fire support bases Coral and Balmoral, one of the toughest battles that Australian soldiers fought in Vietnam.

There are a lot of RSL events and commemoration of battles et cetera, but I think it is very important that we remember these battles and remember the people that gave up their lives for us, whether it was in the Vietnam War, the Korean War, World War II or Gallipoli. Events
such as these that I have attended recently—as many of us do in this place; we attend RSLs and commemoration events for veterans—are very important. It is very important to pass that history on to the next generation of Australians.

A couple of weeks ago I attended the dedication mass and formal reopening of the Queen of Angels Church. The Queen of Angels Church is a large Catholic church right on the border of my electorate, on the eastern side of South Road, which makes it in the seat of Adelaide. The western side is my electorate. The eastern side has many industrial sites, so the majority of people that attend the Queen of Angels Church are from my electorate, and I was very honoured to attend the reopening of the Queen of Angels Church. They received funding for the refurbishment of the church under the infrastructure programs, and they have now redone the church and opened it up, and it is absolutely beautiful. The Archbishop of South Australia was there that day and he asked me to convey his thanks to the Minister for Infrastructure and Transport, Minister Albanese, for the funding they received to refurbish the church. The event was attended by approximately 200 to 300 people, and again many members of the Italian community were there with us.

The DEPUTY SPEAKER (Hon. BC Scott): There being no further grievances, the debate is adjourned and the resumption of the debate will be made an order of the day for the next sitting. Buonasera!

Federation Chamber adjourned at 21:54.
QUESTIONs IN WRiTING

Australian Competition and Consumer Commission
(Question No. 875)

Mr Craig Kelly asked the Treasurer, in writing, on 27 February 2012:

(1) In respect of Australian Competition and Consumer Commission v Metcash Trading Limited and Pick n Pay Retailers (Pty) Limited (2011) FCA 967, what legal costs were incurred by the ACCC as a result of the decision of the; (a) Federal Court in favour of Metcash in August 2011; (b) Federal Court to refuse the ACCC’s request for an injunction while it appealed against the original decision; and (c) full bench of the Federal Court in dismissing the ACCC’s appeal in November 2011.

(2) At which of the following stages was the ACCC ordered to pay costs and what sum: the decision of the; (a) Federal Court in favour of Metcash in August 2011; (b) Federal Court to refuse the ACCC’s request for an injunction while it appealed against the original decision; and (c) full bench of the Federal Court in dismissing the ACCC’s appeal in November 2011.

(3) What total sum of costs has the ACCC been ordered to pay Metcash.

(4) Did he have any discussions with the ACCC in relation to its decision to pursue legal action against Metcash in relation to the above case; if so, were these discussions held before and/or after the ACCC took legal action.

Mr Swan: The answer to the honourable member's question is as follows:

(1) (a) The ACCC's legal costs in the Federal Court first instance hearing before Justice Emmett were approximately $3.4 million.

(b) The ACCC's legal costs in the interlocutory application for an interim injunction were approximately $64 000. The costs incurred in preparing for the application for an interim injunction and the appeal overlapped in some respects. Where this overlap occurred the ACCC has attributed a cost to the most appropriate of the interim injunction application or the appeal for the purpose of answering this question.

(c) The ACCC's legal costs in the Full Federal Court appeal proceedings before Justices Finn, Buchanan and Yates were approximately $920 000. The costs incurred in preparing for the application for an interim injunction and the appeal overlapped in some respects. Where this overlap occurred the ACCC has attributed a cost to the most appropriate of the interim injunction or the appeal for the purpose of answering this question.

(2) (a) to (c) The ACCC was ordered to pay costs in respect of the first instance hearing, the interlocutory application and the appeal proceedings. In accordance with usual practice, these costs orders did not specify a particular amount to be paid by the ACCC.

(3) The ACCC was ordered to pay costs in respect of the first instance hearing, the interlocutory application and the appeal proceedings. In accordance with usual practice, these costs orders did not specify a particular amount to be paid by the ACCC. The process for settling costs has not been concluded.

(4) The Treasurer talks regularly to the ACCC and other Australian regulators.

Visas
(Question No. 888)

Mr Morrison asked the Minister for Immigration and Citizenship, in writing, on 27 February 2012:

In (a) 2007-08, (b) 2008-09, (c) 2009-10, (d) 2010-11, (e) 2011-12 (to date), how many visas were granted under the Parent Visa Options, and for each visa, what number was granted in each (i) onshore
and offshore category (specifically subclasses 103, 804, 864, 884, 143 and 173), and (ii) processing times.

**Mr Bowen:** The answer to the honourable member's question is as follows.

**Visa Grants**

Table 1 lists the Migration Program Outcome for each subclass and year as requested in the question.

**Table 1**

<table>
<thead>
<tr>
<th>Program Year</th>
<th>Category</th>
<th>Group Description</th>
<th>Location</th>
<th>SubClass</th>
<th>2007/08</th>
<th>2008/09</th>
<th>2009/10</th>
<th>2010/11</th>
<th>2011/12*</th>
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<tbody>
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<td></td>
<td>Parent</td>
<td>Contributory</td>
<td>Offshore</td>
<td>143</td>
<td>2,520</td>
<td>4,626</td>
<td>5,687</td>
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<td>1,307</td>
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<tr>
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<td></td>
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<td>1,402</td>
<td>1,438</td>
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<tr>
<td></td>
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<td>(non-Contributory)</td>
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<td>103</td>
<td>768</td>
<td>1,402</td>
<td>1,438</td>
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<td>Onshore</td>
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<td>232</td>
<td>598</td>
<td>562</td>
<td>300</td>
<td>253</td>
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<tr>
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<td></td>
<td>4,499</td>
<td>8,500</td>
<td>9,487</td>
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<td>4,751</td>
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</table>

*The 2011-12 figure is up to 29/02/2012*

^The term Migration Program Outcome refers to visa grants counted in the Migration Program. Contributory Parent visas contain 'two-stage' visa processing, where clients have the option of applying for a temporary Contributory Parent visa (Subclass 173 or Subclass 884) prior to applying for the permanent Contributory Parent visa (Subclass 143 or Subclass 864). Where a client undergoes 'two-stage' visa processing they are only counted in the Migration Program once.

**Processing Times**

**Parent Category**

New Parent category visa applicants (Subclasses 103 or 804) can expect an approximate 15 year wait before visa grant consideration after being allocated a queue date. This waiting period reflects the significant number of Parent category visa applications in comparison to the limited number of visa places available each Migration Program year.

For example, 2000 visa places have been available in the Parent category in 2011-12. As there are 28,948 visa applicants in the pipeline (as at 31 January 2012), new applicants will reach the front of the queue approximately 15 years after being allocated a queue date.

**Contributory Parent Category**

Contributory Parent visa applicants can expect to wait 12 to 24 months before visa grant consideration, depending on their circumstances. As current migration planning levels sufficiently cater for demand for these visas, new Contributory Parent category visa applicants are not being provided with a queue date.

**Migrant Workers**

(Question No. 894)

**Mr Oakeshott** asked the Minister for Immigration and Citizenship, in writing, on 13 March 2012:

Why has the Government not ratified the International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families (1990)?
Mr Bowen: The answer to the honourable member's question is as follows:

Australia recognises the importance of providing legal protections to migrant workers. The human rights of migrants and temporary entrants to Australia are protected under existing domestic and international law, including the human rights conventions to which Australia is already a party. Australia passed new domestic laws in 2008 to better protect temporary overseas workers in Australia - the Migration Legislation Amendment (Worker Protection) Act 2008.

In 2009, the Government undertook analysis of the International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families (Convention) and in 2010 determined that it was incompatible with domestic migration policies.

For example, at times the Convention does not distinguish between those who are working lawfully and those working unlawfully. Becoming party to the Convention would also require Australia to treat migrant workers and their family members more favourably than other migrants in visa application processes.

Becoming a party to the Convention would require potentially significant changes to Australia's visa regime for non-citizens with work rights and their families. The analysis of the Convention in 2009 involved an article by article assessment of the Convention. As a result of this analysis, in 2010 the Government decided to maintain its position not to become a party to the Convention.

The Australian Government views existing protections in place for migrant workers as adequate and does not intend to become a party to the International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families.

Infrastructure Australia

(Question No. 896)

Mr Fletcher asked the Minister for Infrastructure and Transport, in writing, on 13 March 2012:

In respect of the media statement he made with the Prime Minister 'Infrastructure investment to move Sydney forward,' that the Australian Government will have Infrastructure Australia work with the NSW Government to explore private financing options for the M5 East widening and the F3 to M2 upgrade, what (a) progress has been made on these commitments, and (b) outcomes have been achieved to date.

Mr Albanese: The answer to the honourable member's question is as follows:

Based on the work undertaken by Infrastructure Australia, the Government has announced that it is willing to provide up to $25 million to the New South Wales Government for the establishment of a special purpose vehicle to develop options to bring the M5 East and F3 to M2 projects to market.

Infrastructure Australia

(Question No. 897)

Mr Fletcher asked the Minister for Infrastructure and Transport, in writing, on 13 March 2012:

In respect of a media report 'Business to fund key projects as Wayne Swan warns of tough budget,' in which he is reported to have indicated that Infrastructure Australia was working on private sector financing for the proposed link from the F3 to M2 motorways in Sydney given that Government funds have not been available for them, is this a fact; if so, what (a) progress has been made, and (b) outcomes have been achieved to date.

Mr Albanese: The answer to the honourable member's question is as follows:

See response to Question No. 896.
Asylum Seekers
(Question Nos 900 and 901)

Mr Baldwin asked the Minister for Immigration and Citizenship and the Minister for Health, in writing, on 15 March 2012:

(1) In respect of irregular maritime arrivals, how many cases of diseases such as (a) Tuberculosis, (b) Hepatitis, (c) HIV/AIDS, (d) Whooping Cough, (e) Typhoid, (f) Diphtheria, and (g) other communicable diseases, have occurred since 2007.

(2) Since 2007, how many irregular maritime arrivals with (a) Tuberculosis, (b) Hepatitis, (c) HIV/AIDS, (d) Whooping Cough, (e) Typhoid, (f) Diphtheria, and (g) other communicable diseases, were given temporary protection visas to live in the community whilst their refugee status was assessed.

(3) What quarantine measures are in place to protect the health of Australian citizens, residents and those already in detention.

Mr Bowen: The answer to the honourable member's question is as follows:

(1) Data for 1 July 2009 to 31 December 2011 is provided below. Data is not available prior to 1 July 2009 due to the way it was recorded by the Health Services Provider at the time.

(a) Tuberculosis 8
(b) Hepatitis 110
(c) HIV 0
(d) Whooping Cough 5
(e) Typhoid 2
(f) Diphtheria 0
(g) Other 97

(2) The Temporary Protection Visa (TPV) was abolished on 9 August 2008. The requested information is not readily available.

(3) All irregular maritime arrivals are screened for communicable diseases as part of a Health Induction Assessment (HIA) carried out within 72 hours of entering a detention facility. The HIA includes a chest x-ray, blood and urine tests, and a physical examination conducted by health clinicians.

The Health Services Provider follows mandatory reporting requirements of specific communicable diseases to the applicable state/territory health authority. It also implements any follow up action required by the state/territory health authority, including quarantining and contact tracing.

Postal Services
(Question No. 903)

Mr Haase asked the Minister representing the Minister for Broadband, Communications and the Digital Economy, in writing, on 19 March 2012:

In respect of the imminent closure (22 March 2012) of postal services in Dampier, WA, will postal services be restored to this area; if so (a) how, and (b) when; if not, why not.

Mr Albanese: The Minister for Broadband, Communications and the Digital Economy has provided the following answer to the honourable member's question:

Australia Post regrettably had to cease trading in Dampier on 23 March 2012 due to the lack of availability of suitable premises from which to operate the Licensed Post Office (LPO).

Despite an extensive search within the community, Australia Post has, to date, been unable to locate a local business to take over the ongoing operation of the LPO.
Due to the shortage of properties within Dampier, Australia Post is again appealing to local business owners to assist in securing a new location for the LPO to ensure continuity of postal services to the community.

Australia Post is committed to the Dampier community and will continue to work with local businesses to find an alternative solution to resume postal services in Dampier.

**Roads: Pacific Highway**  
*(Question No. 937)*

*Mrs Andrews* asked the Minister for Infrastructure and Transport, in writing, on 21 March 2012:

In respect of his letter received by her office on 5 March 2012, that made reference to the ' $455 million towards the $910 million Pacific Motorway Upgrade' and ' $210 million towards the section from Nerang to Tugun', (a) when will works commence for further upgrades to the M1 between Mudgeeraba and Tugun on the southern Gold Coast, (b) when are these upgrades scheduled for completion, and (c) what sum has the Government allocated to upgrades between Mudgeeraba and Tugun.

*Mr Albanese*: The answer to the honourable member's question is as follows:

The Australian Government has committed $210 million towards the $420 million upgrade of the Nerang to Tugun section of the Pacific Motorway. The details of the projects and total cost are as follows:

- Upgrade of the Coomera Interchange - $30 million (completed);
- Upgrade of the Nerang South Interchange - $38 million (completed);
- Upgrade of the Mudgeeraba Interchange - $42.5 million (completed);
- Upgrade of the Varsity Lakes and Robina interchanges - $86 million (Varsity Lakes completed and Robina under construction); and
- Widening of the Pacific Motorway from four to six lanes between Nerang South and Mudgeeraba interchanges and safety works on the Worongary Interchange - $223.5 million (under construction).

The full program of works is expected to be completed by late 2013.

**Australian Permanent Mission to the United Nations: Hospitality**  
*(Question No. 960)*

*Ms Julie Bishop* asked the Minister representing the Minister for Foreign Affairs, in writing, on 22 March 2012:

(1) What was the cost to the Australian Permanent Mission to the United Nations in hosting the reception catered for by contestants of the television show MasterChef Australia.

(2) Did the Australian Government provide any financial support to cover the accommodation or travel expenses of contestants, hosts and/or producers of the television show MasterChef Australia during their visit to New York in 2011; if so, what sum.

(3) What assistance was provided to the contestants, hosts and/or producers of the television show MasterChef Australia during their visit to New York in 2011, and did the Australian Permanent Mission to the United Nations incur any associated costs; if so, what sum.

(4) What assistance was provided by the Australian Permanent Mission to the United Nations prior to the filming of MasterChef Australia.

*Dr Emerson*: The Minister for Foreign Affairs has provided the following answer to the honourable member's question:
(1) On 26 May 2011, Australia co-hosted with the Secretariat of the United Nations Permanent Forum on Indigenous Issues a reception to coincide with the Tenth Session of the UN Permanent Forum, and to launch a photographic exhibition on Indigenous issues. Over 400 people attended, including approximately 35 Indigenous Australian non-government representatives and five Australian Government representatives, along with representatives from UN Permanent Missions and delegations to the Permanent Forum. The reception featured food prepared by the chefs of the television show MasterChef Australia, and MasterChef contributed substantially to the food and venue costs (including audio-visual equipment).

The Australian Permanent Mission to the United Nations provided AUD8,947.06 towards the event, which was a unique public diplomacy opportunity for Australia to promote our work on indigenous issues, and promote indigenous issues globally. Details of that expenditure were as follows:

<table>
<thead>
<tr>
<th>Details</th>
<th>Cost (AUD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food</td>
<td>$2,059.57</td>
</tr>
<tr>
<td>Venue costs/equipment hire</td>
<td>$2,785.20</td>
</tr>
<tr>
<td>Indigenous performers</td>
<td>$1,083.07</td>
</tr>
<tr>
<td>Hire of staff for bar and food service</td>
<td>$2,144.48</td>
</tr>
<tr>
<td>Sundries (postage, supplies)</td>
<td>$874.74</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$8,947.06</td>
</tr>
</tbody>
</table>

(2) No. Nil.

(3) The Mission provided advice to the producers in their interaction with the United Nations. There were no costs incurred.


**Foreign Investment Review Board**

(Question No. 966)

Mr Fletcher asked the Treasurer, in writing, on 8 May 2012:

Can he provide data compiled over the past 10 years by the Foreign Investment Review Board (FIRB), indicating approvals for the purchase, by non-citizens, of residential real estate in the electoral division of Bradfield, using the different categories of residential real estate provided on the FIRB's website.

Mr Swan: The answer to the honourable member's question is as follows:

The Foreign Investment Review Board does not classify foreign investment approvals within its record keeping system on the basis of electoral boundary and the data is therefore not available.

**Australian Broadcasting Corporation**

(Question No. 968)

Mr Oakeshott asked the Minister representing the Minister for Broadband, Communications and the Digital Economy, in writing, on 8 May 2012:

Can he indicate when the Government will restore the position of Staff-Elected Director to the Board of the Australian Broadcasting Corporation.

Mr Albanese: The Minister for Broadband, Communications and the Digital Economy has provided the following answer to the honourable member's question:

The National Broadcasting Legislation Amendment (NBLA) Bill 2010 gives effect to the Government's commitment to re-establish the position of staff-elected director and introduce a merit based selection process for positions on the ABC Board. The NBLA Bill was introduced into the House of
Representatives on 30 September 2010 and subsequently passed on 23 November 2010. The Senate referred the Bill to the Environment and Communications Legislation Committee on 30 September 2010. Public hearings for the Senate Review were conducted in Canberra on 1 November 2010 and the Committee released its report on the Bill on 17 November 2010. The NBLA Bill 2010 is currently scheduled for debate in the Senate during the forthcoming Winter 2012 sitting.

**Infrastructure and Transport: Skills Training Australia Pty Ltd**

(Question No. 978)

Mr Laurie Ferguson asked the Minister for Infrastructure and Transport, in writing, on 8 May 2012:

Since 1 January 2008, has the Minister's department contracted Skills Training Australia Pty Ltd, 92 Copeland Street, Liverpool, NSW, to conduct training; if so, for each type of training, what (a) was the purpose, (b) was the duration, (c) sum was charged per participant, and (d) oversights (if any) occurred on the specified outcome, duration and delivery.

Mr Albanese: The answer to the honourable member's question is as follows:

No.

**Attorney-General's, and Emergency Management: Skills Training Australia Pty Ltd**

(Question Nos 979 and 980)

Mr Laurie Ferguson asked the Attorney-General and Minister for Emergency Management, in writing, on 8 May 2012:

Since 1 January 2008, has the Minister's department contracted Skills Training Australia Pty Ltd, 92 Copeland Street, Liverpool, NSW, to conduct training; if so, for each type of training, what (a) was the purpose, (b) was the duration, (c) sum was charged per participant, and (d) oversights (if any) occurred on the specified outcome, duration and delivery.

Ms Roxon: The answer to the honourable member's question is as follows:

Since 1 January 2008, the Attorney-General's Department has not contracted Skills Training Australia Pty Ltd, 92 Copeland Street, Liverpool, NSW to conduct training.

**Resources and Energy and Tourism: Skills Training Australia Pty Ltd**

(Question Nos 988 and 989)

Mr Laurie Ferguson asked the Minister for Resources and Energy and the Minister for Tourism, in writing, on 8 May 2012:

Since 1 January 2008, has the Ministers department contracted Skills Training Australia Pty Ltd, 92 Copeland Street, Liverpool, NSW, to conduct training; if so, for each type of training, what (a) was the purpose (b) was the duration (c) sum was charged per participant, and (d) oversights (if any) occurred on the specified outcome, duration and delivery.

Mr Martin Ferguson: The answer to the honourable member's question is as follows:

The Department of Resources, Energy and Tourism has not contracted Skills Training Australia Pty Ltd for training purposes since 1 January 2008.