**INTERNET**

The *Votes and Proceedings* for the House of Representatives are available at

Proof and Official Hansards for the House of Representatives,
the Senate and committee hearings are available at

For searching purposes use
http://parlinfo.aph.gov.au

**SITTING DAYS—2014**

<table>
<thead>
<tr>
<th>Month</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>February</td>
<td>11, 12, 13, 24, 25, 26, 27</td>
</tr>
<tr>
<td>March</td>
<td>3, 4, 5, 6, 17, 18, 19, 20, 24, 25, 26, 27</td>
</tr>
<tr>
<td>May</td>
<td>13, 14, 15, 26, 27, 28, 29</td>
</tr>
<tr>
<td>June</td>
<td>2, 3, 4, 5, 16, 17, 18, 19, 23, 24, 25, 26</td>
</tr>
<tr>
<td>July</td>
<td>14, 15, 16, 17</td>
</tr>
<tr>
<td>August</td>
<td>26, 27, 28</td>
</tr>
<tr>
<td>September</td>
<td>1, 2, 3, 4, 22, 23, 24, 25, 30</td>
</tr>
<tr>
<td>October</td>
<td>1, 2, 20, 21, 22, 23, 27, 28, 29, 30</td>
</tr>
<tr>
<td>November</td>
<td>24, 25, 26, 27</td>
</tr>
<tr>
<td>December</td>
<td>1, 2, 3, 4</td>
</tr>
</tbody>
</table>

**RADIO BROADCASTS**

Broadcasts of proceedings of the Parliament can be heard on ABC NewsRadio in the capital cities on:

- **ADELAIDE** 972AM
- **BRISBANE** 936AM
- **CANBERRA** 103.9FM
- **DARWIN** 102.5FM
- **HOBART** 747AM
- **MELBOURNE** 1026AM
- **PERTH** 585AM
- **SYDNEY** 630AM

For information regarding frequencies in other locations please visit
http://www.abc.net.au/newsradio/listen/frequencies.htm
FORTY-FOURTH PARLIAMENT
FIRST SESSION—THIRD PERIOD

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

House of Representatives Office holders
Speaker—Hon. Bronwyn Kathleen Bishop MP
Deputy Speaker—Hon. Bruce Craig Scott MP
Second Deputy Speaker—Mr Robert George Mitchell
Members of the Speaker’s Panel—Mrs Karen Lesley Andrews MP,
Mr Russell Evan Broadbent MP, Mr Alexander George Hawke MP,
Mr Ian Reginald Goodenough MP, Mrs Natasha Louise Griggs MP,
Mr Ewen Thomas Jones MP, Mr Craig Kelly MP, Hon. Charles Christian Porter MP,
Mr Donald James Randall MP, Mr Ross Xavier Vasta MP, Mr Brett David Whiteley MP

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

Party Leaders and Whips
Liberal Party of Australia
Leader—Hon. Anthony John Abbott MP
Deputy Leader—Hon. Julie Isabel Bishop MP
Chief Government Whip—Hon. Philip Maxwell Ruddock MP
Government Whips—Mr Scott Buchholz MP and Ms Nola Bethwyn Marino MP

The Nationals
Leader—Hon. Warren Errol Truss MP
Deputy Leader—Hon. Barnaby Thomas Gerard Joyce MP
Chief Whip—Mr Mark Maclean Coulton MP
Deputy Whip—Mr George Robert Christensen MP

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

Printed by authority of the House of Representatives
<table>
<thead>
<tr>
<th>Members</th>
<th>Division</th>
<th>Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abbott, The Hon. Anthony John</td>
<td>Warringah, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Albanese, The Hon. Anthony Norman</td>
<td>Grayndler, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Alexander, Mr John Gilbert OAM</td>
<td>Bennelong, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Andrews, Mrs Karen Lesley</td>
<td>McPherson, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Andrews, The Hon. Kevin James</td>
<td>Menzies, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Baldwin, The Hon. Robert Charles</td>
<td>Paterson, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Bandt, Mr Adam Paul</td>
<td>Melbourne, VIC</td>
<td>AG</td>
</tr>
<tr>
<td>Billson, The Hon. Bruce Fredrick</td>
<td>Dunkley, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Bird, The Hon. Sharon Leah</td>
<td>Cunningham, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Bishop, The Hon. Bronwyn Kathleen</td>
<td>Mackellar, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Bishop, The Hon. Julie Isabel</td>
<td>Curtin, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Bowen, The Hon. Chris Eyles</td>
<td>McMahon, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Briggs, The Hon. Jamie Edward</td>
<td>Mayo, SA</td>
<td>LP</td>
</tr>
<tr>
<td>Broad, Mr Andrew John</td>
<td>Mallee, VIC</td>
<td>NATS</td>
</tr>
<tr>
<td>Broadbent, Mr Russell Evan</td>
<td>McMillan, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Brodtmann, Ms Gai Marie</td>
<td>Canberra, ACT</td>
<td>ALP</td>
</tr>
<tr>
<td>Brough, The Hon. Malcolm Thomas</td>
<td>Fisher, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Buchholz, Mr Scott</td>
<td>Wright, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Burke, Ms Anna Elizabeth</td>
<td>Chisholm, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Burke, The Hon. Anthony Stephen</td>
<td>Watson, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Butler, The Hon. Mark Christopher</td>
<td>Port Adelaide, SA</td>
<td>ALP</td>
</tr>
<tr>
<td>Butler, Ms Terri Megan</td>
<td>Griffith, QLD</td>
<td>ALP</td>
</tr>
<tr>
<td>Byrne, The Hon. Anthony Michael</td>
<td>Holt, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Chalmers, Dr James Edward</td>
<td>Rankin, QLD</td>
<td>ALP</td>
</tr>
<tr>
<td>Champion, Mr Nicholas David</td>
<td>Wakefield, SA</td>
<td>ALP</td>
</tr>
<tr>
<td>Chester, The Hon. Darren</td>
<td>Gippsland, VIC</td>
<td>NATS</td>
</tr>
<tr>
<td>Chesters, Ms Lisa Marie</td>
<td>Bendigo, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Christensen, Mr George Robert</td>
<td>Dawson, QLD</td>
<td>NATS</td>
</tr>
<tr>
<td>Ciobo, The Hon. Steven Michele</td>
<td>Moncrieff, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Clare, The Hon. Jason Dean</td>
<td>Blaxland, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Claydon, Ms Sharon Catherine</td>
<td>Newcastle, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Cobb, The Hon. John Kenneth</td>
<td>Calare, NSW</td>
<td>NATS</td>
</tr>
<tr>
<td>Coleman, Mr David Bernard</td>
<td>Banks, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Collins, The Hon. Julie Maree</td>
<td>Franklin, TAS</td>
<td>ALP</td>
</tr>
<tr>
<td>Conroy, Mr Patrick Martin</td>
<td>Charlton, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Coulton, Mr Mark Maclean</td>
<td>Parkes, NSW</td>
<td>NATS</td>
</tr>
<tr>
<td>Danby, The Hon. Michael</td>
<td>Melbourne Ports, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Dreyfus, The Hon. Mark Alfred QC</td>
<td>Isaacs, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Dutton, The Hon. Peter Craig</td>
<td>Dickson, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Elliot, The Hon. Maria Justine</td>
<td>Richmond, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Ellis, The Hon. Katherine Margaret</td>
<td>Adelaide, SA</td>
<td>ALP</td>
</tr>
<tr>
<td>Entsch, The Hon. Warren George</td>
<td>Leichhardt, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Feeney, The Hon. David</td>
<td>Batman, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Ferguson, Mr Laurie Donald Thomas</td>
<td>Werriwa, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Fitzgibbon, The Hon. Joel Andrew</td>
<td>Hunter, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Fletcher, The Hon. Paul William</td>
<td>Bradfield, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Frydenberg, The Hon. Joshua Anthony</td>
<td>Kooyong, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Gambaro, The Hon. Teresa</td>
<td>Brisbane, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Members</td>
<td>Division</td>
<td>Party</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>-----------------</td>
<td>--------</td>
</tr>
<tr>
<td>Giles, Mr Andrew James</td>
<td>Scullin, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Gillespie, Dr David Arthur</td>
<td>Lyne, NSW</td>
<td>NATS</td>
</tr>
<tr>
<td>Goodenough, Mr Ian Reginald</td>
<td>Moore, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Gray, The Hon. Gary AO</td>
<td>Brand, WA</td>
<td>ALP</td>
</tr>
<tr>
<td>Griffin, The Hon. Alan Peter</td>
<td>Bruce, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Griggs, Mrs Natasha Louise</td>
<td>Solomon, NT</td>
<td>CLP</td>
</tr>
<tr>
<td>Hall, Ms Jill Griffiths</td>
<td>Shortland, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Hartsuyker, The Hon. Luke</td>
<td>Cowper, NSW</td>
<td>NATS</td>
</tr>
<tr>
<td>Hawke, Mr Alexander George</td>
<td>Mitchell, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Hayes, Mr Christopher Patrick</td>
<td>Fowler, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Henderson, Ms Sarah Moya</td>
<td>Corangamite, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Hendy, Dr Peter William</td>
<td>Eden-Monaro, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Hockey, The Hon. Joseph Benedict</td>
<td>North Sydney, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Hogan, Mr Kevin John</td>
<td>Page, NSW</td>
<td>NATS</td>
</tr>
<tr>
<td>Howarth, Mr Luke Ronald</td>
<td>Petrie, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Hunt, The Hon. Gregory Andrew</td>
<td>Flinders, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Husic, The Hon. Edham Nurreldin</td>
<td>Chifley, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Hutchinson, Mr Eric Russell</td>
<td>Lyons, TAS</td>
<td>LP</td>
</tr>
<tr>
<td>Irons, Mr Stephen James</td>
<td>Swan, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Jensen, Dr Dennis Geoffrey</td>
<td>Tangney, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Jones, Mr Ewen Thomas</td>
<td>Herbert, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Jones, Mr Stephen Patrick</td>
<td>Throsby, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Katter, The Hon. Robert Carl</td>
<td>Kennedy, QLD</td>
<td>AUS</td>
</tr>
<tr>
<td>Keenan, The Hon. Michael</td>
<td>Stirling, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Kelly, Mr Craig</td>
<td>Hughes, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>King, The Hon. Catherine Fiona</td>
<td>Ballarat, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Laming, Mr Andrew</td>
<td>Bowman, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Landry, Ms Michelle Leanne</td>
<td>Capricornia, QLD</td>
<td>NATS</td>
</tr>
<tr>
<td>Laundy, Mr Craig</td>
<td>Reid, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Leigh, The Hon. Dr Andrew Keith</td>
<td>Fraser, ACT</td>
<td>ALP</td>
</tr>
<tr>
<td>Ley, The Hon. Susan Penelope</td>
<td>Farrer, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Macfarlane, The Hon. Ian Elgin</td>
<td>Groom, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Macklin, The Hon. Jennifer Louise</td>
<td>Jagajaga, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>MacTierman, The Hon. Alannah Joan Geraldine Cecilia</td>
<td>Perth, WA</td>
<td>ALP</td>
</tr>
<tr>
<td>Marino, Ms Nola Bethwyn</td>
<td>Forrest, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Markus, Mrs Louise Elizabeth</td>
<td>Macquarie, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Marles, The Hon. Richard Donald</td>
<td>Corio, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Matheson, Mr Russell Glenn</td>
<td>Macarthur, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>McCormack, The Hon. Michael Francis</td>
<td>Riverina, NSW</td>
<td>NATS</td>
</tr>
<tr>
<td>McGowan, Ms Catherine AO</td>
<td>Indi, VIC</td>
<td>IND.</td>
</tr>
<tr>
<td>McNamara, Mrs Karen Jane</td>
<td>Dobell, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Mitchell, Mr Robert George</td>
<td>McEwen, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Morrison, The Hon. Scott John</td>
<td>Cook, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Neumann, The Hon. Shayne Kenneth</td>
<td>Blair, QLD</td>
<td>ALP</td>
</tr>
<tr>
<td>Nikolic, Mr Andrew Alexander AM, CSC</td>
<td>Bass, TAS</td>
<td>LP</td>
</tr>
<tr>
<td>O'Connor, The Hon. Brendan Patrick John</td>
<td>Gorton, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>O'Dowd, Mr Kenneth Desmond</td>
<td>Flynn, QLD</td>
<td>NATS</td>
</tr>
<tr>
<td>Members</td>
<td>Division</td>
<td>Party</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>------------</td>
<td>-------</td>
</tr>
<tr>
<td>O'Dwyer, Ms Kelly Megan</td>
<td>Higgins, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>O'Neil, Ms Clare Ellen</td>
<td>Hotham, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Owens, Ms Julie</td>
<td>Parramatta, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Palmer, Mr Clive Federick</td>
<td>Fairfax QLD</td>
<td>PUP</td>
</tr>
<tr>
<td>Parke, The Hon. Melissa</td>
<td>Fremantle, WA</td>
<td>ALP</td>
</tr>
<tr>
<td>Pasin, Mr Antony</td>
<td>Barker, SA</td>
<td>LP</td>
</tr>
<tr>
<td>Perrett, Mr Graham Douglas</td>
<td>Moreton, QLD</td>
<td>ALP</td>
</tr>
<tr>
<td>Pitt, Mr Keith John</td>
<td>Hinkler, QLD</td>
<td>NATS</td>
</tr>
<tr>
<td>Plibersek, The Hon. Tanya Joan</td>
<td>Sydney, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Porter, The Hon. Charles Christian</td>
<td>Pearce, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Prentice, Mrs Jane</td>
<td>Ryan, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Price, Ms Melissa Lee</td>
<td>Durack, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Pyne, The Hon. Christopher Maurice</td>
<td>Sturt, SA</td>
<td>LP</td>
</tr>
<tr>
<td>Ramsey, Mr Rowan Eric</td>
<td>Grey, SA</td>
<td>LP</td>
</tr>
<tr>
<td>Randall, Mr Don James</td>
<td>Canning, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Ripoll, The Hon. Bernard Fernando</td>
<td>Oxley, QLD</td>
<td>ALP</td>
</tr>
<tr>
<td>Rishworth, The Hon. Amanda Louise</td>
<td>Kingston, SA</td>
<td>ALP</td>
</tr>
<tr>
<td>Robb, The Hon. Andrew John AO</td>
<td>Goldstein, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Robert, The Hon. Stuart Rowland</td>
<td>Fadden, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Rowland, Ms Michelle Anne</td>
<td>Greenway, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Roy, Mr Wyatt</td>
<td>Longman, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Ruddock, The Hon. Philip Maxwell</td>
<td>Berowra, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Ryan, Ms Joanne Catherine</td>
<td>Lalor, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Scott, The Hon. Bruce Craig</td>
<td>Maranoa, QLD</td>
<td>NATS</td>
</tr>
<tr>
<td>Scott, Ms Fiona Meryl</td>
<td>Lindsay, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Shorten, The Hon. William Richard</td>
<td>Maribyrnong, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Simpkins, Mr Luke Xavier Linton</td>
<td>Cowan, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Smith, The Hon. Anthony David Hawthorn</td>
<td>Lingiari, NT</td>
<td>ALP</td>
</tr>
<tr>
<td>Snowdon, The Hon. Warren Edward</td>
<td>Boothby, SA</td>
<td>LP</td>
</tr>
<tr>
<td>Southcott, Dr Andrew John</td>
<td>Murray, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Stone, The Hon. Dr Sharman Nancy</td>
<td>Gilmore, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Sudmalis, Ms Ann Elizabeth</td>
<td>Deakin, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Sukkar, Mr Michael</td>
<td>Lilley, QLD</td>
<td>ALP</td>
</tr>
<tr>
<td>Swan, The Hon. Wayne Maxwell</td>
<td>Hume, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Taylor, Mr Angus James</td>
<td>Wannon, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Tehan, Mr Daniel Thomas (Dan)</td>
<td>Kingsford Smith, NSW</td>
<td>ALP</td>
</tr>
<tr>
<td>Thistlethwaite, Mr Matthew James</td>
<td>Wills, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Thomson, The Hon. Kelvin John</td>
<td>Wide Bay, QLD</td>
<td>NATS</td>
</tr>
<tr>
<td>Truss, The Hon. Warren Errol</td>
<td>Aston, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Tudge, The Hon. Alan Edward</td>
<td>Wentworth, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Turnbull, The Hon. Malcolm Bligh</td>
<td>Calwell, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Vamvakinou, Ms Maria</td>
<td>Forde, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>van Manen, Mr Albertus Johannes</td>
<td>Barton, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Varvaris, Mr Nickolas</td>
<td>Bonner, QLD</td>
<td>LP</td>
</tr>
<tr>
<td>Vasta, Mr Ross Xavier</td>
<td>Gellibrand, VIC</td>
<td>ALP</td>
</tr>
<tr>
<td>Watts, Mr Timothy Graham</td>
<td>Braddon, TAS</td>
<td>LP</td>
</tr>
<tr>
<td>Whiteley, Mr Brett David</td>
<td>Robertson, NSW</td>
<td>LP</td>
</tr>
<tr>
<td>Wicks, Mrs Lucy Elizabeth</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Members of the House of Representatives

<table>
<thead>
<tr>
<th>Members</th>
<th>Division</th>
<th>Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wilkie, Mr Andrew Damien</td>
<td>Denison, TAS</td>
<td>IND.</td>
</tr>
<tr>
<td>Williams, Mr Matthew</td>
<td>Hindmarsh, SA</td>
<td>LP</td>
</tr>
<tr>
<td>Wilson, Mr Richard James</td>
<td>O'Connor, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Wood, Mr Jason Peter</td>
<td>La Trobe, VIC</td>
<td>LP</td>
</tr>
<tr>
<td>Wyatt, Mr Kenneth George AM</td>
<td>Hasluck, WA</td>
<td>LP</td>
</tr>
<tr>
<td>Zappia, Mr Antonio</td>
<td>Makin, SA</td>
<td>ALP</td>
</tr>
</tbody>
</table>

### PARTY ABBREVIATIONS

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

### Heads of Parliamentary Departments

- Clerk of the Senate—R Laing
- Clerk of the House of Representatives—D Elder
- Secretary, Department of Parliamentary Services—C Mills
- Parliamentary Budget Officer—P Bowen
**ABBOTT MINISTRY**

<table>
<thead>
<tr>
<th>Title</th>
<th>Minister</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Prime Minister</strong></td>
<td>The Hon. Tony Abbott MP</td>
</tr>
<tr>
<td><strong>Minister for Indigenous Affairs</strong></td>
<td></td>
</tr>
<tr>
<td>Minister Assisting the Prime Minister for the Public Service</td>
<td>Senator the Hon. Nigel Scullion</td>
</tr>
<tr>
<td>Minister Assisting the Prime Minister for Women</td>
<td>Senator the Hon. Eric Abetz</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Prime Minister</td>
<td>The Hon. Josh Frydenberg MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Prime Minister</td>
<td>The Hon. Alan Tudge MP</td>
</tr>
<tr>
<td><strong>Minister for Infrastructure and Regional Development</strong></td>
<td>The Hon. Warren Truss MP</td>
</tr>
<tr>
<td>(Deputy Prime Minister)</td>
<td></td>
</tr>
<tr>
<td>Assistant Minister for Infrastructure and Regional Development</td>
<td>The Hon. Jamie Briggs MP</td>
</tr>
<tr>
<td><strong>Minister for Foreign Affairs</strong></td>
<td>The Hon. Julie Bishop MP</td>
</tr>
<tr>
<td><strong>Minister for Trade and Investment</strong></td>
<td></td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Foreign Affairs</td>
<td>Senator the Hon. Brett Mason</td>
</tr>
<tr>
<td><strong>Minister for Employment</strong></td>
<td></td>
</tr>
<tr>
<td>(Leader of the Government in the Senate)</td>
<td>Senator the Hon. Eric Abetz</td>
</tr>
<tr>
<td>Assistant Minister for Employment</td>
<td>The Hon. Luke Hartsuyker MP</td>
</tr>
<tr>
<td>(Deputy Leader of the House)</td>
<td></td>
</tr>
<tr>
<td><strong>Attorney-General</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Minister for the Arts</strong></td>
<td>The Hon. Michael Keenan MP</td>
</tr>
<tr>
<td>(Vice-President of the Executive Council)</td>
<td>Senator the Hon. George Brandis QC</td>
</tr>
<tr>
<td>(Deputy Leader of the Government in the Senate)</td>
<td>Senator the Hon. George Brandis QC</td>
</tr>
<tr>
<td>Minister for Justice</td>
<td></td>
</tr>
<tr>
<td><strong>Treasurer</strong></td>
<td>The Hon. Joe Hockey MP</td>
</tr>
<tr>
<td><strong>Minister for Small Business</strong></td>
<td>The Hon. Bruce Billson MP</td>
</tr>
<tr>
<td>Acting Assistant Treasurer</td>
<td>Senator the Hon Mathias Cormann</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Treasurer</td>
<td>The Hon. Steven Ciobo MP</td>
</tr>
<tr>
<td><strong>Minister for Agriculture</strong></td>
<td>The Hon. Barnaby Joyce MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Agriculture</td>
<td>Senator the Hon. Richard Colbeck</td>
</tr>
<tr>
<td><strong>Minister for Education</strong></td>
<td>The Hon. Christopher Pyne MP</td>
</tr>
<tr>
<td>(Leader of the House)</td>
<td></td>
</tr>
<tr>
<td>Assistant Minister for Education</td>
<td>The Hon. Sussan Ley MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Education</td>
<td>Senator the Hon. Scott Ryan</td>
</tr>
<tr>
<td><strong>Minister for Industry</strong></td>
<td>The Hon. Ian Macfarlane MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Industry</td>
<td>The Hon. Bob Baldwin MP</td>
</tr>
<tr>
<td><strong>Minister for Social Services</strong></td>
<td>The Hon. Kevin Andrews MP</td>
</tr>
<tr>
<td>Assistant Minister for Social Services</td>
<td>Senator the Hon. Mitch Fifield</td>
</tr>
<tr>
<td>(Manager of Government Business in the Senate)</td>
<td>Senator the Hon. Marise Payne</td>
</tr>
<tr>
<td><strong>Minister for Human Services</strong></td>
<td>The Hon. Concetta Fierravanti-Wells</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Social Services</td>
<td>Senator the Hon. Concetta Fierravanti-Wells</td>
</tr>
<tr>
<td><strong>Minister for Communications</strong></td>
<td>The Hon. Malcolm Turnbull MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Communications</td>
<td>The Hon. Paul Fletcher MP</td>
</tr>
<tr>
<td><strong>Minister for Health</strong></td>
<td>The Hon. Peter Dutton MP</td>
</tr>
<tr>
<td><strong>Minister for Sport</strong></td>
<td>The Hon. Peter Dutton MP</td>
</tr>
<tr>
<td>Assistant Minister for Health</td>
<td>Senator the Hon. Fiona Nash</td>
</tr>
<tr>
<td>Title</td>
<td>Minister</td>
</tr>
<tr>
<td>----------------------------------------------------------------------</td>
<td>--------------------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>Minister for Defence</strong></td>
<td>Senator the Hon. David Johnston</td>
</tr>
<tr>
<td>Minister for Veterans’ Affairs</td>
<td>Senator the Hon. Michael Ronaldson</td>
</tr>
<tr>
<td><em>Minister Assisting the Prime Minister for the Centenary of ANZAC</em></td>
<td>Senator the Hon. Michael Ronaldson</td>
</tr>
<tr>
<td>Assistant Minister for Defence</td>
<td>The Hon. Stuart Robert MP</td>
</tr>
<tr>
<td><em>Parliamentary Secretary to the Minister for Defence</em></td>
<td>The Hon. Darren Chester MP</td>
</tr>
<tr>
<td><strong>Minister for the Environment</strong></td>
<td>The Hon. Greg Hunt MP</td>
</tr>
<tr>
<td><em>Parliamentary Secretary to the Minister for the Environment</em></td>
<td>Senator the Hon. Simon Birmingham</td>
</tr>
<tr>
<td><strong>Minister for Immigration and Border Protection</strong></td>
<td>The Hon. Scott Morrison MP</td>
</tr>
<tr>
<td>Assistant Minister for Immigration and Border Protection</td>
<td>Senator the Hon. Michaelia Cash</td>
</tr>
<tr>
<td><strong>Minister for Finance</strong></td>
<td>Senator the Hon. Mathias Cormann</td>
</tr>
<tr>
<td>Special Minister of State</td>
<td>Senator the Hon. Michael Ronaldson</td>
</tr>
<tr>
<td><em>Parliamentary Secretary to the Minister for Finance</em></td>
<td>The Hon. Michael McCormack MP</td>
</tr>
</tbody>
</table>

Each box represents a portfolio. **Cabinet Ministers are shown in bold type.** As a general rule, there is one department in each portfolio. However, there is a Department of Human Services in the Social Services portfolio and a Department of Veterans’ Affairs in the Defence portfolio. The title of a department does not necessarily reflect the title of a minister in all cases.
<table>
<thead>
<tr>
<th>Title</th>
<th>Shadow Minister</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leader of the Opposition</td>
<td>Hon Bill Shorten MP</td>
</tr>
<tr>
<td>Shadow Minister Assisting the Leader for Science</td>
<td>Senator the Hon Kim Carr</td>
</tr>
<tr>
<td>Shadow Minister Assisting the Leader for Small Business</td>
<td>Hon Bernie Ripoll MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Small Business</td>
<td>Julie Owens MP</td>
</tr>
<tr>
<td>Shadow Cabinet Secretary</td>
<td>Senator the Hon Jacinta Collins</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary to the Leader of the Opposition</td>
<td>Hon Michael Danby MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary to the Leader of the Opposition</td>
<td>Dr Jim Chalmers MP</td>
</tr>
<tr>
<td>Deputy Leader of the Opposition</td>
<td>Hon Tanya Plibersek MP</td>
</tr>
<tr>
<td>Shadow Minister for Foreign Affairs and International Development</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Women</td>
<td>Senator Claire Moore</td>
</tr>
<tr>
<td>Manager of Opposition Business (Senate)</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for the Centenary of ANZAC</td>
<td>Senator the Hon Don Farrell</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Foreign Affairs</td>
<td>Hon Matt Thistlethwaite MP</td>
</tr>
<tr>
<td>Leader of the Opposition in the Senate</td>
<td>Senator the Hon Penny Wong</td>
</tr>
<tr>
<td>Shadow Minister for Trade and Investment</td>
<td></td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Trade and Investment</td>
<td>Dr Jim Chalmers MP</td>
</tr>
<tr>
<td>Deputy Leader of the Opposition in the Senate</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Defence</td>
<td></td>
</tr>
<tr>
<td>Shadow Assistant Minister for Defence</td>
<td>Hon David Feeney MP</td>
</tr>
<tr>
<td>Shadow Minister for Veterans’ Affairs</td>
<td>Senator the Hon Don Farrell</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Defence</td>
<td>Gai Brodtmann MP</td>
</tr>
<tr>
<td>Shadow Minister for Infrastructure and Transport</td>
<td>Hon Anthony Albanese MP</td>
</tr>
<tr>
<td>Shadow Minister for Tourism</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Regional Development and Local Government</td>
<td>Hon Julie Collins MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Regional Development and Infrastructure</td>
<td></td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Western Australia</td>
<td>Hon Warren Snowdon MP</td>
</tr>
<tr>
<td>Shadow Treasurer</td>
<td>Hon Chris Bowen MP</td>
</tr>
<tr>
<td>Shadow Assistant Treasurer</td>
<td>Hon Dr Andrew Leigh MP</td>
</tr>
<tr>
<td>Shadow Minister for Competition</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Financial Services and Superannuation</td>
<td>Hon Bernie Ripoll MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary to the Shadow Treasurer</td>
<td>Hon Ed Husic MP</td>
</tr>
<tr>
<td>Shadow Minister for Finance</td>
<td>Hon Tony Burke MP</td>
</tr>
<tr>
<td>Manager of Opposition Business (House)</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Environment, Climate Change and Water</td>
<td>Hon Mark Butler MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for the Environment, Climate Change and Water</td>
<td>Senator Louise Pratt</td>
</tr>
<tr>
<td>Shadow Minister for Higher Education, Research, Innovation and Industry</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Vocational Education</td>
<td>Hon Sharon Bird MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Manufacturing</td>
<td>Tony Zappia MP</td>
</tr>
<tr>
<td>Title</td>
<td>Shadow Minister</td>
</tr>
<tr>
<td>----------------------------------------------------------------------</td>
<td>----------------------------------------------</td>
</tr>
<tr>
<td>Shadow Minister for Communications</td>
<td>Hon Jason Clare MP</td>
</tr>
<tr>
<td>Shadow Assistant Minister for Communications</td>
<td>Michelle Rowland MP</td>
</tr>
<tr>
<td>Shadow Attorney General</td>
<td>Hon Mark Dreyfus QC MP</td>
</tr>
<tr>
<td>Shadow Minister for the Arts</td>
<td></td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary to the Shadow Attorney General</td>
<td></td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for the Arts</td>
<td></td>
</tr>
<tr>
<td>Deputy Manager of Opposition Business (House)</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Justice</td>
<td>Hon David Feeney MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary to the Shadow Attorney General</td>
<td>Senator the Hon Lisa Singh</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for the Arts</td>
<td>Hon Michael Danby MP</td>
</tr>
<tr>
<td>Shadow Minister for Education</td>
<td>Hon Kate Ellis MP</td>
</tr>
<tr>
<td>Shadow Minister for Early Childhood</td>
<td></td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Education</td>
<td>Julie Owens MP</td>
</tr>
<tr>
<td>Shadow Minister for Agriculture</td>
<td>Hon Joel Fitzgibbon MP</td>
</tr>
<tr>
<td>Shadow Minister for Resources</td>
<td>Hon Gary Gray AO MP</td>
</tr>
<tr>
<td>Shadow Minister for Northern Australia</td>
<td></td>
</tr>
<tr>
<td>Shadow Special Minister of State</td>
<td>Hon Warren Snowdon MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Northern Australia</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Health</td>
<td>Hon Catherine King MP</td>
</tr>
<tr>
<td>Shadow Assistant Minister for Health</td>
<td>Stephen Jones MP</td>
</tr>
<tr>
<td>Shadow Minister for Mental Health</td>
<td>Senator Hon Jan McLucas</td>
</tr>
<tr>
<td>Shadow Minister for Sport</td>
<td>Hon Bernie Ripoll MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Health</td>
<td>Hon Amanda Rishworth MP</td>
</tr>
<tr>
<td>Shadow Minister for Families and Payments</td>
<td>Hon Jenny Macklin MP</td>
</tr>
<tr>
<td>Shadow Minister for Disability Reform</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Human Services</td>
<td>Senator the Hon Doug Cameron</td>
</tr>
<tr>
<td>Shadow Minister for Housing and Homelessness</td>
<td>Senator the Hon Jan McLucas</td>
</tr>
<tr>
<td>Shadow Minister for Carers</td>
<td>Senator Claire Moore</td>
</tr>
<tr>
<td>Shadow Minister for Communities</td>
<td></td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Families and Payments</td>
<td>Senator Carol Brown</td>
</tr>
<tr>
<td>Shadow Minister for Immigration and Border Protection</td>
<td>Hon Richard Marles MP</td>
</tr>
<tr>
<td>Shadow Minister for Citizenship and Multiculturalism</td>
<td>Michelle Rowland MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Immigration</td>
<td>Hon Matt Thistlethwaite MP</td>
</tr>
<tr>
<td>Shadow Minister for Indigenous Affairs</td>
<td>Hon Shayne Neumann MP</td>
</tr>
<tr>
<td>Shadow Minister for Ageing</td>
<td></td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Indigenous Affairs</td>
<td>Hon Warren Snowdon MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Aged Care</td>
<td>Senator Helen Polley</td>
</tr>
<tr>
<td>Shadow Minister for Employment and Workplace Relations</td>
<td>Hon Brendan O’Connor MP</td>
</tr>
<tr>
<td>Shadow Minister for Employment Services</td>
<td>Hon Julie Collins MP</td>
</tr>
</tbody>
</table>
CONTENTS

WEDNESDAY, 28 MAY 2014

Chamber
BILLS—
Tax Laws Amendment (Temporary Budget Repair Levy) Bill 2014—
Income Tax Rates Amendment (Temporary Budget Repair Levy) Bill 2014—
Family Trust Distribution Tax (Primary Liability) Amendment (Temporary Budget Repair Levy) Bill 2014—
Fringe Benefits Tax Amendment (Temporary Budget Repair Levy) Bill 2014—
Income Tax (Bearer Debentures) Amendment (Temporary Budget Repair Levy) Bill 2014—
Income Tax (First Home Saver Accounts Misuse Tax) Amendment (Temporary Budget Repair Levy) Bill 2014—
Income Tax (TFN Withholding Tax (ESS)) Amendment (Temporary Budget Repair Levy) Bill 2014—
Superannuation (Departing Australia Superannuation Payments Tax) Amendment (Temporary Budget Repair Levy) Bill 2014—
Superannuation (Excess Non-concessional Contributions Tax) Amendment (Temporary Budget Repair Levy) Bill 2014—
Superannuation (Excess Untaxed Roll-over Amounts Tax) Amendment (Temporary Budget Repair Levy) Bill 2014—
Taxation (Trustee Beneficiary Non-disclosure Tax) (No. 1) Amendment (Temporary Budget Repair Levy) Bill 2014—
Taxation (Trustee Beneficiary Non-disclosure Tax) (No. 2) Amendment (Temporary Budget Repair Levy) Bill 2014—
Tax Laws Amendment (Interest on Non-Resident Trust Distributions) (Temporary Budget Repair Levy) Bill 2014—
Tax Laws Amendment (Untainting Tax) (Temporary Budget Repair Levy) Bill 2014—
Trust Recoupment Tax Amendment (Temporary Budget Repair Levy) Bill 2014—
Second Reading................................................................. 4523
Third Reading........................................................................ 4562
Export Legislation Amendment Bill 2014—
Export Inspection (Quantity Charge) Amendment Bill 2014—
Export Inspection (Service Charge) Amendment Bill 2014—
Export Inspection (Establishment Registration Charges) Amendment Bill 2014—
Second Reading.................................................................... 4562
Third Reading.......................................................................... 4579
Export Inspection (Quantity Charge) Amendment Bill 2014—
Second Reading..................................................................... 4579
Third Reading......................................................................... 4580
Export Inspection (Service Charge) Amendment Bill 2014—
Second Reading..................................................................... 4580
Third Reading......................................................................... 4580
Export Inspection (Establishment Registration Charges) Amendment Bill 2014—
Second Reading..................................................................... 4580
CONTENTS—continued

Third Reading............................................................................................................. 4580
Environment Protection and Biodiversity Conservation Amendment (Cost Recovery)
Bill 2014—
Second Reading......................................................................................................... 4580

STATEMENTS BY MEMBERS—
Racial Discrimination Act 1975 ................................................................. 4583
South Australian Minister for Agriculture, Food and Fisheries....................... 4584
Indi Electorate: Koori First Steps Preschool............................................... 4584
National Volunteer Week.................................................................................. 4585
Parliament House: Security ............................................................................. 4585
Balkan Peninsula Floods ................................................................................. 4586
Racial Discrimination Act 1975 ...................................................................... 4586
Budget ............................................................................................................... 4586
Racial Discrimination Act 1975 ...................................................................... 4587
Bass Electorate: North Bank ............................................................................. 4587
Racial Discrimination Act 1975 ...................................................................... 4588
Dobell Electorate: Work for the Dole ............................................................ 4588
Racial Discrimination Act 1975 ...................................................................... 4589
Budget: Infrastructure ...................................................................................... 4589
Petition: Racial Discrimination Act 1975.................................................... 4590
Sorrento Surf Life Saving Club.......................................................................... 4590
Multiculturalism................................................................................................. 4591
Pilbara Region .................................................................................................. 4591
Multiculturalism................................................................................................. 4592
Small Business ................................................................................................. 4592

QUESTIONS WITHOUT NOTICE—
Royal Commission into Institutional Responses to Child Sexual Abuse .......... 4593
Budget ............................................................................................................... 4593
Racial Discrimination Act 1975 ................................................................. 4594
Budget ............................................................................................................... 4594
Budget ............................................................................................................... 4595
Budget ............................................................................................................... 4596
Budget ............................................................................................................... 4597
Budget ............................................................................................................... 4599
Budget ............................................................................................................... 4600
Budget ............................................................................................................... 4601
National Security ............................................................................................ 4601
Budget ............................................................................................................... 4602
National Broadband Network ........................................................................ 4603
Nurse Education ............................................................................................... 4604
Medicare ........................................................................................................... 4604
Budget ............................................................................................................... 4606
Work for the Dole Program .......................................................................... 4606
Budget ............................................................................................................... 4608
Foreign Aid ....................................................................................................... 4609
Vocational Education and Training .............................................................. 4610
CONTENTS—continued

Small Business ........................................................................................................... 4611
Employment ............................................................................................................... 4612
Apprenticeships ....................................................................................................... 4612
COMMITTEES—
Selection Committee—
Report ...................................................................................................................... 4614
AUDITOR-GENERAL’S REPORTS—
Report No. 32 of 2013-14 ...................................................................................... 4618
PERSONAL EXPLANATIONS................................................................................. 4618
DOCUMENTS—
Presentation .............................................................................................................. 4618
MATTERS OF PUBLIC IMPORTANCE—
Education ................................................................................................................. 4619
BILLS—
Environment Protection and Biodiversity Conservation Amendment (Cost Recovery)
Bill 2014—
Second Reading....................................................................................................... 4634
Third Reading........................................................................................................... 4656
Amending Acts 1901 to 1969 Repeal Bill 2014—
Major Sporting Events (Indicia and Images) Protection Bill 2014—
Migration Amendment Bill 2014—
Statute Law Revision Bill (No. 1) 2014—
Tax Bonus for Working Australians Repeal Bill 2014—
Telecommunications Legislation Amendment (Submarine Cable Protection)
Bill 2013—
Assent....................................................................................................................... 4656
Railway Agreement (Western Australia) Amendment Bill 2014—
Second Reading....................................................................................................... 4656
Third Reading........................................................................................................... 4676
Veterans' Affairs Legislation Amendment (Mental Health and Other Measures)
Bill 2014—
Second Reading....................................................................................................... 4676
ADJOURNMENT—
Budget....................................................................................................................... 4679
Nanopatch ............................................................................................................... 4680
Budget....................................................................................................................... 4681
Eden-Monaro Electorate ......................................................................................... 4683
Labour Cause and Civil Society in Vietnam Conference ....................................... 4684
Donnelly, Father Leo............................................................................................... 4686
NOTICES................................................................................................................... 4687
Federation Chamber
CONSTITUENCY STATEMENTS—
Budget....................................................................................................................... 4689
Budget....................................................................................................................... 4689

CHAMBER
CONTENTS—continued

Blair Electorate: Ipswich Trade Training Centre ........................................ 4690
Robertson Electorate: Work for the Dole ...................................................... 4691
Indi Electorate: National Sorry Day .......................................................... 4692
Byrne, Dr Robert ......................................................................................... 4693
Defence ........................................................................................................ 4694
Macquarie Electorate: Relay For Life .......................................................... 4695
Kingston Electorate: Anzac Centenary Local Grants Program .................... 4695
Kids of Macarthur Health Foundation ......................................................... 4696

BILLS—
   Appropriation Bill (No. 1) 2014-2015—
   Appropriation Bill (No. 2) 2014-2015—
   Appropriation (Parliamentary Departments) Bill (No. 1) 2014-2015—
   Appropriation Bill (No. 5) 2013-2014—
   Appropriation Bill (No. 6) 2013-2014—
   Second Reading ....................................................................................... 4697

Questions In Writing
   Hot Issues Brief—(Question No. 56) .......................................................... 4776
   Subclass 457 Visas—(Question No. 98) ..................................................... 4776
   Subclass 457 Visas—(Question No. 99) ..................................................... 4776
   Fair Work Building and Construction—(Question No. 116) .................. 4777
   Minister for Defence—(Question No. 141) .............................................. 4778
The SPEAKER (Hon. Bronwyn Bishop) took the chair at 09:00 and made an acknowledgement of country and read prayers.

BILLS

Tax Laws Amendment (Temporary Budget Repair Levy) Bill 2014
Income Tax Rates Amendment (Temporary Budget Repair Levy) Bill 2014
Family Trust Distribution Tax (Primary Liability) Amendment (Temporary Budget Repair Levy) Bill 2014
Fringe Benefits Tax Amendment (Temporary Budget Repair Levy) Bill 2014
Income Tax (Bearer Debentures) Amendment (Temporary Budget Repair Levy) Bill 2014
Income Tax (First Home Saver Accounts Misuse Tax) Amendment (Temporary Budget Repair Levy) Bill 2014
Income Tax (TFN Withholding Tax (ESS)) Amendment (Temporary Budget Repair Levy) Bill 2014
Superannuation (Departing Australia Superannuation Payments Tax) Amendment (Temporary Budget Repair Levy) Bill 2014
Superannuation (Excess Non-concessional Contributions Tax) Amendment (Temporary Budget Repair Levy) Bill 2014
Superannuation (Excess Untaxed Roll-over Amounts Tax) Amendment (Temporary Budget Repair Levy) Bill 2014
Taxation (Trustee Beneficiary Non-disclosure Tax) (No. 1) Amendment (Temporary Budget Repair Levy) Bill 2014
Taxation (Trustee Beneficiary Non-disclosure Tax) (No. 2) Amendment (Temporary Budget Repair Levy) Bill 2014
Tax Laws Amendment (Interest on Non-Resident Trust Distributions) (Temporary Budget Repair Levy) Bill 2014
Tax Laws Amendment (Untainting Tax) (Temporary Budget Repair Levy) Bill 2014
Trust Recoupment Tax Amendment (Temporary Budget Repair Levy) Bill 2014

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 calls on the Government to extend the period of the budget repair levy until 2020-21 to ensure the debt and deficit burden is spread more fairly amongst all Australians."

Mr CRAIG KELLY (Hughes) (09:02): I finish in continuation from last night on the Tax Laws Amendment (Temporary Budget Repair Levy) Bill 2014. In the remaining time I would like to address why the amendment moved by the member for Indi is a mistaken amendment and why it is dangerously mistaken. Firstly, going back to the specifics of this bill, it lifts our marginal tax rate, the highest rate of our marginal tax rate, on incomes above $180,000 from 45 per cent to 47 per cent. But we do this as a temporary levy—it is temporary. It will take effect from 1 July this year and end on 30 June 2017. It is important that it is temporary because, if you continue to lift marginal tax rates, you do not necessarily increase the total tax take. We live in a global society, a global economy, and we need to ensure that the marginal tax rates that we have in Australia—those highest marginal tax rates—make us as a nation internationally competitive.

If we go from 45 to 47 per cent plus the Medicare levy, plus the NDIS levy, the highest marginal tax rate in this country will now approach 49 per cent, which will make Australia have the eighth highest marginal tax rate in the world. We need to look at what our competitors in nations nearby have as their marginal tax rate. For example, across the Tasman in New Zealand, their highest marginal tax rate is only 33 per cent; in Singapore it is 20 cent; and in Hong Kong, it is 15 per cent. So if we think that we can go on forever with a marginal tax rate, the highest marginal tax rate at 49 per cent, so far above our nearest neighbours that we compete with, this is a dangerously mistaken idea.

The reason I say that is that we have to remember we could have a 100 per cent marginal tax rate and, of course, there would be no income. There is a certain point you reach when you raise the marginal tax rate when it becomes a disincentive for entrepreneurs in our society to go out there and take risks and put their own money on the line if they have to give half of that back in tax. This is why other countries across the world throughout the last several decades have actually lowered their highest rates of marginal tax, because they realise that is the best way not only to increase the total tax take but to stimulate the economy. So the proposed amendment is very poorly thought through, it would actually damage the economy in the long term and we cannot support it. But overall this is, unfortunately, a necessary measure. As a member of the government I say we cannot impoverish future generations of Australians and that is why the measure is necessary.

Ms OWENS (Parramatta) (09:05): I congratulate the member for Hughes for being one of the few members of the government that seems prepared to talk on this budget in this chamber. I remember the last three budgets, and the last two Labor budgets in particular, when all of us that are now on this side of the House were incredibly keen to get out and speak about the budgets and were incredibly proud of them. We took every opportunity to rise to our feet in this House in the times for three-minute and five-minute statements and 90-seconds statements in order to talk about the budgets and how proud we were of the many measures that the Labor government took to improve opportunities for Australians, particularly through education, through funding innovation, through building high-speed broadband for the future.
Members of the current government seem willing to interject, but they are not really willing to rise to their feet and speak proudly about this budget. That is not surprising because of course it is an incredible breaking of promises that were made less than a year ago before the last election. In fact, when the member for Hughes spoke about the bill we are talking about now he failed to mention that before the election the government—the opposition at the time—promised no new taxes. There were ads clearly saying no changes to pensions, no cuts to education, no cuts to health, that Labor would raise taxes but the Liberals would lower taxes. Yet here they are raising taxes in a clear breach of a commitment made to the Australian people. I wonder too, when they do rise to their feet, whether they actually believe what they are saying. I listened to the member for Hughes last night and I heard him refer to figures that are clearly inaccurate. I wonder whether he knows that or whether he is simply repeating words that he has been told to say.

Let me make a few things clear—and you do not have to believe me, you can just check this by going back to the Pre-Election Economic and Fiscal Outlook and the budget papers from last year and comparing them to the budget papers that were presented to this House last Tuesday. Just do your own research before you keep repeating things that are clearly false in this House and to your electorate. For a start, if you take the outlook of the budget position in 2014-15 and through the forward estimates from the pre-election fiscal outlook and compare it to the government position, the government position on both debt and deficit is actually worse, not better. For all the savage cuts to pensions, to education, to health, to families, for all the pain that is going to be inflicted by this government on the people of Australia, the government has not done the thing that it claims is the primary reason. It claims the primary reason is to pull back the debt and deficit, and yet it has not.

The budget debt in 2014-15 is worse than that outlined in the pre-election fiscal outlook—which, incidentally, was the last time that the Treasury and Finance prepared budget statements without any influence at all. I do not agree with the current Treasurer that Treasurers are able to convince Treasury to massage their figures in a remarkable way, but the Treasurer, Joe Hockey, seems to believe that they do. But the pre-election fiscal outlook was prepared by the Treasury and Finance without the influence of either side of politics. If you look at those figures and the figures in the budget papers presented last week, the deficit for 2014-15 is slightly worse and the deficit continues right up to 2017-18.

Mr Craig Kelly interjecting—

Ms OWENS: Madam Speaker, it was extremely difficult for me to listen to the member for Hughes last night in silence, but I did. I would appreciate it, really, if I could have a little bit of politeness from the government. They are the government—a little bit of grace in government would actually be rather pleasant.

The SPEAKER: I think the honourable member knows that there are interjections throughout, but they need to be kept in a moderate way.

Ms OWENS: Thank you Madam Speaker. Let us talk, too, about this debt which the interjector just raised. If you look at MYEFO—I call it 'Joe's-EFO' by the way, because I think it well and truly is his—compared to the pre-election fiscal outlook, what you see is a government that came to government in September last year and began increasing its spending. In fact, the debt level increased by a factor of two.
It did that for two reasons: firstly, because the Treasurer began spending—he actually increased spending by $10 billion in that period. Ten billion dollars! While talking about debt, while talking about this disaster that he had to fix, he actually set about making it worse. And then he changed the assumptions so that it looked much worse—so that between the pre-election fiscal outlook in September and MYEFO in December the debt level doubled on paper.

In reality it went up anyway because there was real spending in there and the reversal of some tax increases to high-super earners as well. So he did a few things, but basically he doubled the debt between PEFO and MYEFO. And then he extrapolated that, and then he said that if the government went on holidays for five years and did nothing that in five years' time the increased debt—which he created—would be even bigger.

Then people come into this chamber and use these fictional figures that have been created by the Treasurer to defend the most savage cuts that we have seen—by their own account—in decades. These are the most savage cuts that we have seen to average families and low-income earners in decades and they are on the basis of faked, fudged figures—and I am being incredibly polite in using that language.

And for all the cuts they are making—for the cuts to pensions, the cuts to education and the cuts to health; the cuts that make a single-income family on $50,000 a year $5,000 worse off—there is not an improvement in the bottom line. The rationale for doing it, which was to improve the bottom line, has not been delivered. Rather than improve the bottom line, which they claim is the great reason for all this stuff, they have actually spent the money elsewhere. They have spent $20 billion on a Rolls-Royce paid parental leave scheme. They have given $9 billion back to mining companies. If they manage to repeal the carbon price they are giving billions of dollars back to the biggest industries in this country. They have given back whatever money they have cut from the lowest and most vulnerable people in this country to the people who need it least.

This is a sham, and every time one of them gets up in this House and talks about how it is a tough budget because it needed to be, I urge them—seriously, if they have any consciences at all and if they care about truth and honesty at all—actually to go back and have a look at the figures and prove for themselves that these cuts did not result—did not result!—in an improvement in Australia's fiscal position. In fact, it is worse.

This particular bill is the Tax Laws Amendment (Temporary Budget Repair Levy) Bill 2014, even though it does not repair the budget, because whatever money they get they will spend elsewhere and make it slightly worse. We could change that title perhaps to Tax Laws Amendment (Temporary Budget Damage) Bill—I do not know. It does not matter much; there is so much fraud in this. This bill raises the top tax threshold by two per cent for a period of three years—again, something that the government swore blind that they would not do before the election but they did. But it was seemingly drafted in such a rapid and incompetent way that there are loopholes in this that you can drive freight trains through. You can drive freight trains through the loopholes in this.

For a start, it is nine months before the fringe benefits tax rate rises to match—nine months. So that is not quite the first year, but nine months of the first year being really easy for anyone on over $180,000 to adjust which bit of their salary comes in their pay packet and which part comes through salary sacrificing to bring their salary back below $180,000 and
avoid this altogether. In fact, if members really want to know how this is likely to work, there is a great article by Nassim Khadem in *The Sydney Morning Herald* on 16 May which gives a page and a half of quite small writing on how not to pay the debt levy if you are on over $180,000 a year. There is a nine-month loophole in this. We also know, of course, that people on higher salaries who have more disposable income also have a whole range of other ways to reduce their taxes. So this is a short-term levy for the better off, those earning above $180,000, with loopholes you can drive a freight train through.

I am hoping that in the budget papers, in the calculations that Treasury made, they understood how many people earning over $180,000 would manage to avoid paying this; otherwise, there will be another hole in the budget, and the debt and deficit position that the government claims to be trying to fix will be worse again under this government. Nevertheless, it is a nine-month loophole in this. We also know, of course, that people on higher salaries who have more disposable income also have a whole range of other ways to reduce their taxes. So this is a short-term levy for the better off, those earning above $180,000, with loopholes you can drive a freight train through.

I am hoping that in the budget papers, in the calculations that Treasury made, they understood how many people earning over $180,000 would manage to avoid paying this; otherwise, there will be another hole in the budget, and the debt and deficit position that the government claims to be trying to fix will be worse again under this government. Nevertheless, it is a nine-month loophole in this. We also know, of course, that people on higher salaries who have more disposable income also have a whole range of other ways to reduce their taxes. So this is a short-term levy for the better off, those earning above $180,000, with loopholes you can drive a freight train through.

I am hoping that in the budget papers, in the calculations that Treasury made, they understood how many people earning over $180,000 would manage to avoid paying this; otherwise, there will be another hole in the budget, and the debt and deficit position that the government claims to be trying to fix will be worse again under this government. Nevertheless, it is a nine-month loophole in this. We also know, of course, that people on higher salaries who have more disposable income also have a whole range of other ways to reduce their taxes. So this is a short-term levy for the better off, those earning above $180,000, with loopholes you can drive a freight train through.

I am hoping that in the budget papers, in the calculations that Treasury made, they understood how many people earning over $180,000 would manage to avoid paying this; otherwise, there will be another hole in the budget, and the debt and deficit position that the government claims to be trying to fix will be worse again under this government. Nevertheless, it is a nine-month loophole in this. We also know, of course, that people on higher salaries who have more disposable income also have a whole range of other ways to reduce their taxes. So this is a short-term levy for the better off, those earning above $180,000, with loopholes you can drive a freight train through.

I am hoping that in the budget papers, in the calculations that Treasury made, they understood how many people earning over $180,000 would manage to avoid paying this; otherwise, there will be another hole in the budget, and the debt and deficit position that the government claims to be trying to fix will be worse again under this government. Nevertheless, it is a nine-month loophole in this. We also know, of course, that people on higher salaries who have more disposable income also have a whole range of other ways to reduce their taxes. So this is a short-term levy for the better off, those earning above $180,000, with loopholes you can drive a freight train through.
to the Australian people that you can put pensioners back on that old indexation method and not see the same cost-of-living pressures on pensioners within five, seven or 10 years is just fraud. There is no way, given the way that prices rise relative to wages, that you can index pensioners on a lesser rate indefinitely and not put unbearable cost-of-living pressures on them and have to adjust at some point. There will have to be a catch-up. This is not a change that will last, as the government says, through to 2050. It simply cannot.

There is also the other side of it. If you actually want to reduce pension payments, one of the ways to do that is to reduce the number of people who need the pensions. But, rather than trying to encourage increasing superannuation contributions, the government have actually delayed the increase in superannuation contributions, so they have made it more likely that people will need the pension, and then they have cut it. That sort of contradiction is through everything.

Again, look at the burden that young people will pay—a temporary levy for people on over $180,000 but, for people under the age of 30, a six-month wait for unemployment benefits, Newstart as it is called these days. If they lose their jobs—six month’s wait. But rather than introduce programs that help young people get into work, they have actually cut the programs that help young people get into work—cut the programs that help them get into work and then refuse them assistance if they lose their job. The contradictions and the nastiness of it are quite extraordinary.

It is the same with health. Cut funding to preventative health, cut the Health Prevention Agency, cut funding from my community of $700,000 to fight obesity and then, when they go to the doctor, charge them more.

A government member interjecting—

Ms OWENS: For the member who is interjecting, there was money for CCTV cameras: the government cut it and now they are giving it back, apparently. So get the facts right before you interject. Speak the truth. Please check your facts; you are not.

Mr PALMER (Fairfax) (09:20): I will just reflect and say before I start my speech: it is sad that members of the government are not informed about what the real facts are. It is sad that they are relying on the leadership of the Treasurer and the Prime Minister to advise them what the facts are. I would advise all members of the government to go to the OECD website, go to International Monetary Fund, and see what the real situation is in relation to Australia’s debt.

There is no need at all for a debt levy. It is just to create a fear among Australians that we are in a difficult position so the government can introduce a lot of retrospective situations that we do not need. The true situation is, in the OECD, Australia is the third lowest debt nation. Our debt is about 12 per cent of our GDP, and the debt in the average advanced economies in the OECD is 73 per cent of their GDP. So we are five times better off, and maybe that is the reason why Australia is only one of 13 nations in the world that has a triple-A credit rating. It is as simple as that.

When the Treasurer and the Prime Minister made their promises before the election, they were aware of these things and that is why they made the promise that there would be no cuts to pensions, no changes with Medicare and all the rest of it.
As Australians we do not want to sit in this place and talk rubbish and lies about what the real state of the economy is. There are tried, tested and proven means which are available to every member of the government on the OECD and the IMF to say what our true position is. So why then doesn't the backbench in the government hold their leadership to account? Why don't they raise these irrefutable facts in the party room and get the explanation from the Treasurer and see what he has got to say about it? And why do the Treasurer and the Prime Minister lie to the Australian people? Aren't they responsible for that?

I joined the Liberal Party many years ago—40 years ago I was a Liberal-National Party member. I was here in Canberra when we had the Field affair, the Gair affair. I have been through more elections than most of the members of the government would ever know. But I remember Bob Menzies as Prime Minister of this country who stood for a Liberal Party that was a low-taxing party. I remember Malcolm Fraser as Prime Minister of Australia who stood for a low taxation, and John Howard. The Liberal Party in its history has believed in low taxation, so to bring in a debt levy, to tax anyone, to push our taxes higher is just a sound that the Liberal Party are moving more and more to become a socialist party, no longer different for Australians and not providing any leadership for the business community of Australia.

It is not about small government; it is about bigger government. That is why you need taxes, and this debt levy of two per cent, breaking a promise that the Liberal Party made to all Liberals of Australia that they would not increase taxes, is tantamount to a misrepresentation.

As a director of a company for many years, I know that, if I lie to my shareholders when raising money or doing something, I risk the proposition of being charged for deceptive and misleading conduct. The Prime Minister, whom I supported very strongly in the 2010 election, went out there and made a lot of promises to the Australian people. For three years, he criticised Julia Gillard, the former Prime Minister. For three years he said that she broke one promise, which she did to the Australian people. That was the basis of getting rid of the Labor Party. But now we have got a Prime Minister who has not broken one promise; he has probably broken 30 of them.

Last weekend I was approached by four members of my electorate—elderly women, aged between 70 and 83 years of age—who said that every month they give their pension cheque to the nursing home where they live. They did not vote for me at the election, but for 50 years they have been loyal members of the Liberal Party and they have voted for the Liberal Party at every election because they were loyal Liberals. Their husbands had fought for this nation in World War II, and were now deceased, and they were placed in the nursing home.

After they give their cheque to the nursing home they are left with a sum of $15 a week, which the nursing home gives back to them. And every Friday they get that money and they pool it together. They have enough to buy a taxi to go down with their concession cards and go to the movies. And sometimes they have some other money that the family might give them so that they can have a coffee or a chocolate.

But there will be no more coffee or chocolate for these women; they will not have an outing every week. Their lives will be diminished by the party that they have supported for 50 years; by the nation that their husbands fought for in the Second World War. They will lose all of that because of the betrayal of the Liberal Party and the Liberals of this nation. And they wonder why they will get opposition in the Senate. They will get more than that until they wake up to themselves.
The Liberal Party should be a broad church. It should be representing all sections of society, not just one narrow view. It should not be based upon lies, deceit and deception. The Liberal Party should be greater than that and stronger than that, and it has been for many years. It should not be disrespectful for the Liberal leaders who have gone before—people like Bob Menzies, Malcolm Fraser and John Howard—who had real character. That is what they should be doing, and caring about Australia. The Liberal Party is not a high-taxing party. How can they bring in a debt levy and tax us higher and higher again? Is this a return to the Whitlam era? They should wake up to themselves. And how can they lie to the Australian people?

In my state of Queensland—

Mr PALMER: I think the Prime Minister was untruthful. He did not tell the truth. If I were a director, as I said before, and I were untruthful to my shareholders about what I would do and what money I would raise, they would have every right under Australian law to take action against me for misleading and deceptive conduct. And if I were found guilty I would be thrown into jail, as I should be.

Should we expect any lower standard for the Prime Minister, or the Treasurer or the government of the day? Shouldn't politics be about honesty? What sort of an example do we want to be to the children and the young people of Australia? When I left school at 18 I was on unemployment benefits for about 4½ months. I did not know what the future held for me. I was not capable; I did not have the skills and I did not really know what I wanted to do. But I was able to get my act together because of the investment that the Australian people made in my life. And over the years I was able to contribute millions of dollars in taxation to the government, employ thousands of people and provide billions of dollars worth of exports. And we want to stop these sorts of people being supported!

Do we want to increase youth suicide? Is that what it is all about? Or do we just want to keep people starving and having to turn to crime? Is that the sort of society that Bob Menzies envisaged when he founded the Liberal Party? Is that what he wanted to do? Is that what the government wants to do?

And this whole gambit to deny the states of $80 billion of funding for hospitals and schools is just really designed to make the states not be able to function and have to sell their assets to others, through lobbyists. How could you deny the community decent hospitals and decent schools, based on a lie? We spend around nine per cent of our GDP on public expenditure for health. Look it up—it is on the OECD site. The United States, with their great health system, spends 15 per cent. So we spend nearly two-thirds of what they spend.

We pay five per cent of our GDP in pensions. The United States, that great socialist economy, pays six per cent of their GDP in pensions. So not only are we one of the lowest-
debts countries in the OECD, our expenditure on social and public welfare is less than most of the countries in the OECD.

They are the facts. That is not debate: go to the website and look it up. I advise members of the government to take it to their party room and say, 'Treasurer, Prime Minister, why do we say these untruths to the Australian people if we know that it is false? Will that win us any votes? Will that get us back to the election? Is that good, responsible government?' That is what we need to ask them.

Secondly, the whole idea of politics to me, since I became a member of this House, seems to be that in year 1, regardless of which party you are from, you blame the other side for the mess they have left you in. You then say you have to get control of as much money as you can because things are really bad, when they are not. In year 2, you have to maintain that position, so you have to keep up the fight and get control of more and more funds and deny people more and more of a reasonable standard of living so that in year 3 you can let the money go and win the election. How cynical is that?

How many members of the government really know what the true figures are? I remember a conversation that I had with a National Party senator back in 1998, I think it was—maybe it was a bit earlier; it was when Paul Keating was Prime Minister. He said there were only two people in the parliament at that time who knew anything about the economy, and they were John Stone, who had been the Secretary to the Treasury, and Paul Keating. Everyone else did not know anything; they just went along with what they were given to read when they turned up on watch duty. But the Australian people are more important than that. We now live in the age of the internet, the age of information. All members of the government can go to the website of the OECD and see what the real situation is. They can go to the International Monetary Fund and see what the real situation is. So why don't they do it?

Anyway, I will just say that, when these measures get to the Senate, Palmer United senators will just be voting against them.

Ms HALL (Shortland—Opposition Whip) (09:31): I suspect that the member for Fairfax and I have very different outlooks on a number of things. I think that we would consider policies and issues from very different perspectives, and our backgrounds are probably very, very different. But the one thing that I agree 100 per cent with him about is the fact that honesty in politics is so important. We must be honest. We are role models for all Australian people. If they cannot look to their government to be honest, I do not think that as a country, as a nation, we have much of a future.

It is very interesting when you look at this budget and particularly this component of the budget—and I will talk a little bit about it in a moment—and you consider that it is based on a manufactured crisis. It is based on a false premise. It is based on information that is totally incorrect, a manufactured crisis that is saying that the world is about to end, that we are in a terrible financial situation in Australia. It is simply not true. I join with the member for Fairfax in encouraging members of the back bench to actually visit some of those sites that he was talking about to gather the data. Look at the fact that we have the third-lowest debt in the OECD. Look at the expenditure on health and welfare and compare it to other countries. And look at what we get for our expenditure on health: universal health care, so that nobody in Australia has to die because they do not have money. Look at the US and compare our system.
to theirs, where, if you do not have the financial ability to pay for treatment, you quite often
die. Is this the kind of country that we as a nation are aspiring to be?

I certainly was not elected to parliament to deliver that to the Australian people. I was
elected to parliament to make this place a better place, and I do not think that this budget does
that. I do not think this budget delivers anyway, and I would have to agree with the member
for Fairfax 100 per cent that it is based on untruths; it is based on lies; it is based on false
premises; and members of the government are perpetuating those lies and ensuring that the
Australian people are not given the true picture.

But I have news for them. The Australian people are not believing what the government
says. In my street stalls and through the internet and while meeting with constituents, I am
being told that they do not believe what this government is saying. They think that they have
been lied to. They feel that they have been deceived. They do not believe that a government,
or a Prime Minister, or a political party, should say one thing before an election and another
thing after the election. And that is exactly what this government has done.

I listened to the member for Fairfax's contribution to the debate. He is a man that has
always been committed to the conservative side of politics; a man that has his roots in the
Liberal Party; a man who started out as an 18-year-old who, for a while, relied on a Newstart
or unemployment benefit or whatever it was called at that time—and I look at the great
success that he has had in life, and the enormous contribution that he has made to this
country. I look at families where the major breadwinner may lose their job—they may be
under 30 and they may have three children. What redress will they have when there is no
money coming into the house? How do they fit into this government's stereotypical
ideological picture of who a person under 30 years of age is and what they should be doing?
This creates real hardship for real people. This is an uncaring government, a government that
really does not get the big picture.

The legislation we have before us today, the Income Tax Rates Amendment (Temporary
Budget Repair Levy) Bill—once again, based on that fallacy that there actually is a need for
repair, and that we are in a crisis—looks to put a levy on people with income that is over
$180,000 a year. Once again, I emphasise: it is a manufactured crisis. Australia has a AAA
rating with all rating agencies. That is not always the case. There are only 13 other countries
in the world that enjoy this AAA rating. It is not something that is handed out based on the
fact that it would be nice for Australia to have that rating; it is earned. It is strong economic
management that leads to a AAA rating. It is a strong economy that leads to a AAA rating—
not a manufactured crisis that says that Australia is in a dreadful situation.

Deputy Speaker, if you look at why we have a deficit, there is one event in Australia's
history that those on the other side of this parliament seem to have forgotten—that is, the
GFC or global financial crisis. At that particular time, if action had not been taken to prevent
Australia going into a recession, thousands of Australians would have lost their jobs. Our
economy would have come to a standstill. There is one conversation that I remember vividly.
I had a builder come into my office. He had a company where he employed in excess of 20
people and he said to me: 'I don't vote Labor. I have never voted Labor'. But he said that the
actions that the Labor government had taken—in investing in infrastructure, in creating a
situation where there was building work available—meant that his company continued to
operate. He said he would have gone bankrupt if that investment had not been made. His
company continued to operate. His employees continued to be employed and, as such, Australia rode out the global financial crisis.

If members of the government would like to do a bit of research and compare the taxing regime of a government with the taxing regimes of the opposition, you will find that the Howard government was a much higher taxing government than Labor. If you compare what this government has done, you will find that it is a higher taxing government than Labor. The legislation we have before us today is a testament to that.

I cannot stand in this parliament and be in a situation where I see so much hardship, so much pain, being delivered to people in the electorate that I represent. This is a broken promise. This is a lie. This is just a further example of a lie that was told before the election. The hurt and hardship that is going to be inflicted on Australians who are on an average income and who go to work each day, and on pensioners like the member for Fairfax spoke about—people who have made an enormous contribution to our country—is much greater than a two per cent levy on high-income earners who will be able to work out a way to avoid it.

I would like to share with the House an email I received last night from one of my constituents. She wrote:

I am a concerned grandmother writing with regard to the FTB B changes in the Abbott Government's budget. Actually I am concerned and outraged about much of the budget, however will focus on this particular issue for now.

She goes on to say that she has a son, a daughter-in-law and a four-year-old granddaughter who live in Perth, the most expensive city in Australia. Her son is a fly-in fly-out worker. He does eight days on, six days off. Her daughter-in-law stays at home for a very good reason: she cares for their daughter who suffers from a rare and complex form of febrile convulsions, so she is making a big contribution by caring and loving her child who is not well.

Her son earns $102,000 a year. They pay $30,000 for a small three-bedroom house. Her son pays $27,000 tax and $8,000 HECS. They have got a personal loan that costs them $5,000 a year and that leaves them with $577 per week to keep a motor car on the road, utilities, clothes, health costs, food and medication. If you have got a child who has febrile convulsions, obviously you need to invest in life-saving medication. This grandmother goes on to say that she finds this particular aspect of the budget—and all of the budget—outrageous and a gross inequity. I think this example shows the inequity that will exist. They will be losing Family Tax Benefit B, and somebody on $180,000 a year will be paying two per cent on a temporary levy.

This budget as a whole makes me sad. There is a tax on pensioners. I had pensioners ringing my office before the budget was brought down, terrified about what it would contain. Since the budget has been brought down, the office has been contacted on an ongoing basis by pensioners who just do not know how they are going to make ends meet.

On the changes to Medicare: universal health care is imperative to ensure the health of our nation. If you do not address health needs when they occur, if a person is sick, does not go to the doctor and puts it off, it means that they are going to get sicker and the cost is going to be greater. A $7 GP tax is just going to make it harder for families, harder for pensioners and harder for Australia as a whole. This is a backward-looking budget. This is a backward-looking tax. This is something that the government should hang its head in shame about.
The Australian people will judge the government at the next election. They do not have short-term-memory problems. They will understand how harsh, how cruel, this government has been and how it has attacked the Australian people at every turn. It is not good enough, and I condemn the government.

Dr CHALMERS (Rankin) (09:46): It is my privilege to follow a very good speech by the member for Shortland about the Tax Laws Amendment (Temporary Budget Repair Levy) Bill 2014 and the 14 other bills required to implement the tax increases proposed in the government's budget of broken promises and messed-up priorities. This bill implements the temporary two per cent tax increase on workers earning more than $180,000 a year over the next three years. Right off the bat, let us call this for what it is. It is a token attempt to pretend that the budget is fair and that the burden of the broken promises and cost-of-living increases has been somehow fairly shared. Give us a break.

There is a very good reason why Australians reject that notion and why the government is falling apart after this budget. That is because, like so many measures being proposed, it is based on a con. To pretend that a temporary levy that a lot of wealthy people can afford to avoid makes up for the brutal assault on low- and middle-income earners is offensive in the extreme. It takes for mugs a lot of good people who are just trying to make ends meet in the face of this attack from a government that promised, hand on heart, to be part of the cost-of-living solution—until the ballots were in, and then they turned into a big part of the cost-of-living problem.

We have already said publicly that we will not stand in the way of this specific measure in the parliament, only because we have so many more important battles on our hands in this budget, like the fight to save Medicare. I want to acknowledge the member for Ballarat and the member for Throsby here in our health team, who are doing such a good job defending Medicare from the attacks of those opposite. We also have other big fights in defending the safety net for Australians and the fight for an affordable higher education system that will fuel social mobility and economic growth.

Other speakers have mentioned that this tax increase is one of the many broken promises that are at the core of this budget. Australians who are affected by the levy will feel let down by the government, which promised one thing before the election and did the exact opposite after the election. It is worth recapping some of the things that the coalition took to the Australian people at the election. For example, on 14 March 2012, the now Prime Minister said:

What you'll get under us are tax cuts without new taxes.

That is a broken promise. On 20 November 2012, the now Prime Minister again said:

We are about reducing taxes, not increasing taxes.

That is another broken promise. On 22 May 2013, at the National Press Club, the now Treasurer said:

We have to end the wild ride of new taxes, undelivered tax cuts, on again/off again payments, and knee jerk reactive decision making.

That is another broken promise.

Now, to hear speaker after speaker on their side on this bill and other bills pretend that they have kept their commitments just rubs salt in the wound for a lot of people in our community.
and in our country. This tax increase on high-income workers is designed to provide political cover for the Treasurer as he introduces the most unfair, most divisive budget in memory, targeted at low-income families, the sick, the frail and the disabled. Analysis done by NATSEM—not by the ALP, not by a political player, but by one of the most credible economic modellers in the country—proves that the budget burden will fall most heavily on the poorest families, regardless of this tax increase for high-income earners that we are talking about now.

The poorest 20 per cent of families earning less than 35 grand a year after tax will lose almost five per cent of their disposable income as a direct result of this budget. At the same time the top 20 per cent of households earning $88,000 or more after tax see a decline of only 0.2 per cent of their incomes. There is no way that this budget can be described as equitable or fair. People in my community and in lots of communities cannot afford the cruelty and the nastiness in the budget. There was some other analysis released the week before last that showed that, unfortunately, when it comes to the impact of this budget my electorate of Rankin is the hardest hit in Queensland. People do not need economic modelling or studies like that to tell them that they are in the gun when it comes to the measures in this budget.

The fact of the matter is that this is not a budget striving to be fair, as the Prime Minister has claimed. Instead, the heavy lifting is being done by the pensioners, who stop me in the street worried they will not be able to pay their bills; it is on the parents who are already fighting to make ends meet and fear they will not be able to afford the kids’ uniforms when they grow out of the old ones; is on the sick and the vulnerable, who are being forced to cough up an extra $7 for every trip to the doctor and an extra $5 for every script when they just cannot afford these sorts of cost-of-living hikes. This budget is an extreme and ideological attack on low income and working Australians and this temporary increase of tax on the wealthy does nothing to change or camouflage that very simple fact. It is the most divisive budget in memory from the most divisive Prime Minister in memory. It pits Australian against Australian in a harsh and unnecessary way.

The government justifies this cruel, unfair and deceitful budget by manufacturing a budget emergency. Let me make this very clear: that budget emergency is a con. This government inherited a budget, as the member for Shortland said, with a AAA credit rating from all three major ratings agencies, one of the few major economies in the world to hold this title and something that neither Peter Costello nor any Liberal government has achieved before. They inherited a budget in a responsible condition after the last government made more than $180 billion of savings over that term in office. If the budget were replete with wasteful spending that could be cut, as the Prime Minister claimed before the election, they would be relying on cuts rather than tax hikes like the one we are describing now. In actual fact, when this government got into office they did all they could to double the budget deficit and make the figures look far worse than they inherited. Before the midyear update they took a $13.7 billion hit to the budget bottom line to give, among other concessions, tax breaks to large multinational companies, big tax breaks to people with super balances over $2 million and tax breaks for those who borrow to invest overseas. They paid the Reserve Bank reserve fund almost $9 billion that was not asked for. And the Treasurer chose the most pessimistic economic forecast available to him for the midyear update to make the budget look like it was in a worse position than it actually was.
This budget emergency has been confected in an attempt to justify a budget of broken promises and twisted priorities based on extreme ideology. Even the government from time to time show that they do not really believe their own spin about a budget emergency. If they did, there is no way they would have reintroduced that huge suite of tax concessions for companies and for the ultra-wealthy before the midyear update. There is no way they would have cut the Clean Energy Finance Corporation, which is not just good for the environment and the economy but was also doing a good job for the budget bottom line. Absolutely critically, there is no way they would be proceeding with a $21 billion Paid Parental Leave scheme if they truly believed there was a budget emergency. We sit here in question time each day and hear the Prime Minister and the Treasurer puff themselves up about this budget emergency but there is one question they cannot answer: if there is a budget emergency, why are they slinging $50,000 to millionaire parents just to have a baby?

The paid parental leave system is not only a huge hit to the budget bottom line but also clear demonstration of the unfairness of their approach to budget reform. While the poor are being forced to pay a GP tax for the doctor and while the young and vulnerable are being cut off from government assistance for six months, millionaires will be paid up to $50,000 just to have a baby. There is nothing that more starkly demonstrates this government's twisted priorities than that. To be clear, Labor believes in a reasonable and affordable system of support for new parents and we introduced Australia's first-ever Paid Parental Leave scheme. But we do not support it being done in this inequitable and unfair way, especially when it has to be paid for by cuts to the pension, cuts to schools and hospitals and the increase in income tax that we are debating today.

We also do not support these cruel cuts to average Australians being used to finance the huge superannuation tax breaks, and multinational tax breaks, which were introduced by the government. As I said before, the government backed down on something like $300 billion worth of tax reform measures that had been announced but not enacted. That includes concessions for the wealthiest 16,000 people in Australia—those with super balances over $2 million. The government also caved in to multinationals by ditching the thin capitalisation reforms and other measures designed to combat multinational profit shifting—and there is even more about that in the papers today. After this budget, low income workers, the sick, the frail and the disabled are being forced to pay for this government's backdown on some of the responsible tax reforms that were made by the previous government. As the shadow treasurer said at the National Press Club last week, in a very good speech, even with what we are opposing in this budget in terms of savings and tax hikes, decisions elsewhere in the budget would make the bottom line stronger under Labor. When you look at the whole package of the coalition's fiscal position versus Labor's, the coalition is spending those billions of dollars on paid parental leave and tax concessions for the wealthy, which we would not do—and at the same time, we would retain the revenue streams from the carbon price and the minerals resource rent tax.

Mr Deputy Speaker, when you strip away the con that is the budget emergency, you are left with a budget that is driven by cruelty, brutality and ideology—but not by the need for budget repair. This government lied their way into office by promising to lower taxes and to lower public spending and now, nine months later, we are standing here in the chamber debating 14 bills to raise taxes. Despite the coalition's rhetoric, their own forward estimates show that
Australia's tax-to-GDP ratio will be higher every year under the Abbott government than it was any year under the former Labor government. They will collect billions of dollars more in extra tax—more every single year than Labor collected in their six years. The 2014-15 tax-to-GDP ratio, which is the most credible measure, will be the highest since the days of Howard and Costello—the time identified by the IMF as the period of greatest government waste in Australia's history.

Now, after raising taxes in this budget, the government appears to be paving the way for further increases in taxes as well, including the GST. And the not-so-secret motive for the government's 80-billion-dollar cut to schools and hospitals—the one that the Prime Minister denied yesterday despite it being in his own budget documents—is a campaign to get the states to call for an increase to the GST. The Prime Minister is trying to distance himself from that discussion by claiming it is a tax which belongs to states, when he knows full well the GST is governed by Commonwealth legislation and collected by the Commonwealth. Try as the Prime Minister might, any change to the GST would be a reflection on his government. It would be yet another broken promise. And when those opposite deny they have a plan to jack up the GST, just remember: that is the same thing that they said before the last election about all of these other taxes, and about the cost-of-living hikes that they said would not happen.

Despite our concerns with the gross unfairness of this budget in its totality—a budget founded on broken promises and twisted priorities—the opposition will not be standing in the way of this tax measure. As I said before, we have much bigger battles to fight defending Medicare, higher education, and pensions. But the opposition does have serious concerns with the shabby and rushed way this tax measure has been put together. As has been discussed widely in the media, the treatment of fringe benefits tax in this bill creates a loophole that wealthier taxpayers can exploit with some crafty accounting. The fact that this has been rushed and that this was a surprise decision that was obviously made late the budget process means that we have concerns that these tax loopholes have not been closed with better design of the legislation and a bit more thought.

We will not be standing in the way of this legislation today but we also will not be distracted from the main game—as I said, defending Medicare, and standing up for people who are just trying to make ends meet and who rely on family payments, who rely on pensions, and who cannot afford, every time they go to the doctor, to spend seven dollars and then even more on the script on the way home. We will fight against the measures that hit average Australians—like so many people who live in my electorate that cannot afford the cruel cuts and the cost-of-living hikes being inflicted by the Abbott government in this budget. On these issues, I will be standing up on behalf of my community against the government's broken promises, against their lies, and against their twisted priorities which have such dire consequences for good people who are just trying to make ends meet and to raise their kids.

Mr STEPHEN JONES (Throsby) (09:59): It is my great pleasure to follow the member for Rankin, who had some insightful things to say about this legislation before the House and the context in which we debate the bill. I would like to add to that. Before the election the Prime Minister had this to say:

I will say what I mean and do what I say.
He tried to paint himself as the patron saint of political honesty. How quickly this self-styled patron saint has fallen. It is not that the halo has slipped; it is the fact that it has been completely extinguished! This is a budget which is built on deceit. They say one thing before the election and then after the election they go and do the complete opposite.

The Abbott government is slapping themselves on the back for halving a budget deficit that they themselves only two months ago doubled. They did this by introducing an unaffordable Paid Parental Leave scheme, by giving tax cuts to mining companies, a $9-billion gift to the Reserve Bank, and scrapping the only Carbon Pollution Reduction Scheme which is likely to work. If there was a real budget emergency, why has the deficit doubled under this government and why are they taking longer to pay it down? If there was a real budget emergency, why would the international credit rating agencies still give us a AAA credit rating? It is because of this deceit that the Australian people are asking themselves: 'What's gone on here. Why is the government asking us'—through measures like this before the House today—to pay for this deceit?' Before the election in March 2012 the Prime Minister was quite clear:

What you'll get under us are tax cuts without new taxes.

He went on again in February 2013:

I absolutely guaranteed to the Australian people, absolutely guaranteed to the Australian people, that the tax burden will be less under a Coalition Government.

Again, in August 2013:

No country has ever taxed its way to prosperity.

Further, in his book, Real Solutions:

We pledge to the families of Australia we will never make your lives harder by imposing needless new taxes.

Against this backdrop you would have to ask yourself, 'Why is this legislation before the House at all?'

The debt levy bill seeks to amend a whole raft of tax acts. It will slap Australians with a three-year increase on the taxable incomes, starting 1 July. Before the introduction of these bills you could see the spin doctors on the other side of the House rifling through the pages of their political thesaurus trying to come up with another word to describe what the Treasurer himself has had to concede, after being backed into a corner—he tried to call it a rabbit, he tried to call it a whole range of other things!—but he has had to concede that these are new taxes.

But it is more than a tax increase—it is much more than that; it is a $600 million smokescreen to try to detract attention from what is really going on in this budget. It is a feeble attempt to let those members on the other side of the House try and look their constituents in the eye and say: 'I know before the election we said that we weren't going to do this. I know we told you that we weren't going to do this. But we are going to try to spread the burden evenly.' The truth is something very, very different. They are not going to be able to look their constituents in the eye and make that claim, because the truth is something very different. They are hitting low- and middle-income earners much harder than they are hitting the big end of town.
You do not have to take our word for this, Deputy Speaker Mitchell. The member for Rankin outlined this in his address before the House. He told us that just last week the National Centre for Social and Economic Modelling published its analysis, which found that the poorest 20 per cent of Australian families would pay $1.1 billion more than the richest households as a result of this budget. That is $1.1 billion more as a result of this budget from the poorest families in Australia. These are families with $35,000 or less in disposable annual income. They will forgo $2.9 billion over four years thanks to the changes to the family benefits pensions and other payments. We stand here and we can look our constituents in the eye and we can say, 'We will not support those changes.'

By contrast, let's look at the big end of town. Let us look at the wealthiest 20 per cent of households. They will be paying $1.78 billion. That is 40 per cent less than the lowest income families. So how can the Prime Minister—let alone every backbench member who has been given their pep-up speech in their party room meeting a few days ago—go back to their electorates and say, 'I know we lie to you, but forgive us because we're spreading the pain evenly.' The truth is they are not and they cannot make that claim to their constituents.

Let us look at the case of single parents. For every dollar a single parent loses someone on $500,000 a year is only paying 20c. For every one dollar a single parent is losing, somebody on half a million dollars a year is paying 20c. You have got to ask yourself, 'Is that fair?' It is not the first hit this government has made in its very short nine-month history on low-income earners. It comes on top of the coalition scrapping the low-income superannuation contribution, hitting those same workers, the same households that I have just spoken about, with a 15 per cent super tax. This will leave more than 45,000 workers in my region in the Illawarra up to $500 a year worse off. These are not millionaires; they are retail workers, cleaners, shopkeepers and hospitality workers. They are definitely not the big end of town. They say that a budget is a demonstration of the government's priorities. You can see the government's priorities on display with measures like this.

I will talk about the government's proposed changes to higher education, because that is the context in which we are debating these taxation bills before the House today. If you look at their proposed changes to higher education you can see that at the heart of it there is a snobbery. They think that our graduation halls are somehow overcrowded with uncouth and undeserving kids.

When Chris Pyne, the Minister for Education, closes his eyes he imagines a perfect world of higher education that is full of strapping lads in boaters and blazers, sipping their Pimm's and lemonade before they go off to their university lectures. He cannot stand the idea that there might be precocious kids from the suburbs and the regions darkening the halls of the hallowed sandstone institutions. His proposal is to put roadblocks and barriers in the way of kids from regions like mine and like yours, Deputy Speaker Mitchell, entering those universities.

He tells us that it is the only way that Australia can ever aspire to have its own version of an Oxford or a Yale University. I have no problems with Australia having its own version of an Oxford or a Yale, but the minister is going about this the wrong way. We are for excellence. There are over 190,000 more students enrolled in universities today because of the reforms put in place by the former Labor government. We believe students should succeed on the basis of their abilities, and not on the basis of the wealth and privilege of their families.
This is a government that went to the last election saying there would be no change to university funding arrangements. Now we are staring down the barrel of a policy that will double interest rates on university loans and significantly increase university fees. The problem with this government is that they cannot see the difference between excellence and elitism. We are for excellence; they are for elitism.

These changes are going to hit women the hardest. We can look at some recent modelling that was published this week by the National Tertiary Education Union. The cost of a three-year accountancy degree is currently a little over $30,000 a year. With no interest payments other than those to keep up with inflation this will rise to around $75,000 a year. For graduates who take time off to have children, raise a family and work part time, the total repayments could rise to around $120,000 a year. Compare the figures: $30,000 versus $120,000 for one bachelor's degree. The interest alone is over $45,000, taking 36 years to pay off.

Only a bloke who has no understanding of what it is like to juggle work, study and family could dream up such a plan. Only a bloke who has no idea what real life is like for those people—particularly women—could dream up such a plan. We know that when women leave university their wage expectations are much lower than those of a male and they have periods of interrupted work. Only a bloke who has no concept of that could dream up such a plan.

This proposal has attracted a lot of criticism and a lot of concern. In my own region the Vice-Chancellor of the University of Wollongong, Paul Wellings, says that international student fees are the yardstick for what our domestic students could pay. He has some experience of this because he was the Vice-Chancellor of Lancaster University in 2010, when the United Kingdom brought in changes similar to these, allowing university fees to triple. He has this to say:

I expect we will see fee rises across the country. This will drive the level of HECS debt and I'm sure that will be a concern for students and their families.

You can say that again! If we follow the UK experience with the tripling of university fees it is going to hit hard in a region such as mine.

I would like to say a few words about the men and women who staff the buildings and offices around this town in particular, and in just about every region around the country—the men and women of the Australian Public Service. The people on the other side of the chamber like to refer to them in denigrating terms as bureaucrats but I like to refer to them as the people who serve the public. I see the member for Fraser alongside me in the chamber. I am sure he will agree with these words, because he has had a lot of experience and he has been a strong advocate for the men and women who work in the Public Service in his constituency. You would think that, after working hard to ensure that the change of government went as smoothly as possible—working around the clock to deliver the work that enables the Treasurer to stand at the dispatch box and deliver his first budget—the people in the Public Service could expect the Treasurer to have a greater appreciation of the work that is done within the Australian Public Service than the appreciation that was on display on budget night. Nobody says thank you to the men and women of the Australian Public Service like the coalition and the Treasurer. There have been 16,500 cuts in the first year alone. That is a fine way to say thank you to people who have worked around the clock helping the government deliver their budget. It is an absolute disgrace.
Those on the other side of the chamber, particularly the new backbenchers, are nervously awaiting returning to their electorates. They stand in this place and demand that we vote for something that they did not have the courage to put to the Australian people and let the Australian people vote on. It is a bit rich! I heard them on the airwaves this morning demanding that the member for Fairfax do the very same thing, and that all his members in the Senate do the very same thing. It is a bit rich to stand here and demand that we vote for something that they did not have the guts to let the Australian people vote for just nine months ago. That is a bit rich.

So if those on the other side of the chamber have problems when they go back to their electorates trying to sell what those on their own side are calling a dead carcass, they can only have themselves to blame. We will not be supporting these harsh measures. We on this side of the chamber will be standing up for Medicare. We on this side of the chamber will be standing up for a fair higher education system. We on this side of the chamber will be standing up for the men and women who work in the Australian Public Service. We will be standing up for a responsible budget that does the right thing by the Australian people and does the right thing by the economy, not the reckless, harsh, mean and deceitful cuts that this government has brought to this House and is demanding we vote for.

Mr ALBANESE (Grayndler) (10:14): In the appropriations debate, I argued that the first Abbott-Hockey budget represented an attack on fairness in this country, the like of which we have not seen before. People in my electorate are asking me why this government seems so intent on inflicting pain on average Australian families. People out there are confused and bewildered by this budget. And why would they not be? It is just months since the Leader of the Opposition—and now Prime Minister—prior to September promised there would be no cuts and no surprises. No-one forced him to go on television and say ‘no cuts to health, no cuts to education, no cuts to the ABC or SBS and no changes to the pension’. But what we have seen with this budget is mean-spirited across-the-board cuts, a succession of nasty surprises, making the people of Australia feel neither relaxed nor comfortable—cuts to universal health care by introducing a charge every time people visit the doctor, cuts to end equality of access to education, cuts to public-transport funding, cuts to child care and cuts to family assistance. The common theme here is that these cuts impact on the vulnerable.

The coalition say that these are necessary to address a so-called budget emergency, but in the Senate estimates process we have discovered something very different. In my area of infrastructure and transport we have found a $1 billion payment will go from the Commonwealth to the Victorian government, in the next month, for stage 2 of the East West road project. Stage 1 has not even commenced yet. Stage 2 has no business case, no plan and no traffic projections; indeed, in Senate estimates, they are not even sure where the tunnel from stage 2 will come out, and yet there is a $1 billion payment. The profile is pretty interesting. I have seen some budget profiles over the years, on infrastructure. I have never seen one before that read $1 billion in the current financial year, then zero next year, then zero the year after, then zero the year after that and then $500 million four years down the track. Why is that the case? It is because the project is not ready to commence and, according to Senate estimates, the earliest it will commence is not this financial year when this billion dollars is being paid, it is not even next financial year, it is the financial year after that.
You cannot say there is a budget emergency on the one hand and on the other hand pay $1 billion dollars for a phantom project that is not ready to commence for a number of years down the track. You cannot say to the pensioners, young people, unemployed and students: ‘You just cop this pain, because we need to do it,’ when, quite clearly, there is $1 billion floating around that they are happy to just put into the Victorian government's bank account—to make their accounts, when it comes to the state election later this year, look better than they would have otherwise. The whole premise of the so-called budget emergency is based upon a falsehood.

This government inherited a growing economy, a growing economy that is the envy of the industrialised world with comparatively low debt levels, with low unemployment, with low interest rates, with low inflation and with a AAA credit rating. It is the case that, at all times, governments should seek to ensure that spending is just for necessary measures, to keep the economy strong and to reflect the sort of country that we are, to create opportunity. But this government has not even acknowledged that it was Labor's actions that ensured they inherited such a strong economy, Labor's actions in government that kept people in employment and Labor's actions that charted a path back to surplus.

The government is exaggerating the nature of the current fiscal challenge's cover for its rigidly ideological approach to this budget. This bill, in having a temporary increase of those people who are above $180,000, who do not use the time and window that the government has created to minimise their tax and ensure that they do not pay this, is cover for the breathtaking attack on those who can least afford to pay. Members of parliament will see a very small decline in their position, for a brief period. Those people who are most vulnerable in the electorates that we represent will see permanent cuts, much larger, and therefore for a continuous time, because they are permanent cuts.

The truth is that this is a Prime Minister who is more comfortable with the values of many decades ago—a time of imperial honours, of knights and dames, of smaller government and of social conservatism. His real agenda is to wind back the social gains that have been made since the 1950s. When you consider the key concepts that are under attack in this budget, there is a common theme—they were all put in place by Labor governments: universal health care; equity of access to education; government engagement in public transport and urban policy for our cities; and a decent safety net to ensure the welfare of the disadvantaged.

As opposition leader, Mr Abbott took a conscious decision to turn the coalition into the noalition—rejecting anything proposed by Labor. Now that he is in government, the Prime Minister seems to feel compelled to dismantle everything even remotely related to previous Labor governments. The only agenda of this government and this Prime Minister is to tear down what Labor governments have built.

This budget is a declaration of cultural and philosophical war, as the extreme right seeks to undermine the social and cultural assumptions of the 21st century. It wants to turn people against each other to create the opposite of the politics of envy—the politics of contempt; the politics of blaming those people in our community who are most disadvantaged rather than seeking to lift them up and to give them opportunity. For example, while most Australians have come to accept that education is a basic right, this government is encouraging taxpayers to resent university graduates on the basis of the cost to the budget of their education,
ignoring the fact that education does not just lift the individual; it lifts the entire nation. If we are going to compete in this century in our region we must be the smart nation.

Labor is the builder; the coalition is the wrecker. The dirty truth about this budget is that it is all about regression—winding back previous Labor reforms. It is not about a plan for the future; it is about destroying the gains of the past. We see represented in so many of the measures in this budget the prejudices of those people opposite. Australians do deserve better. They do not expect to be targeted by a Prime Minister who has embarked on this cruel ideological crusade.

As worrying as these spending cuts are, there is another here which many Australians might have so far missed. It is the return of the blame game. During the Howard era, when the current Prime Minister was a senior minister, Australians became increasingly frustrated with the lack of accountability over the quality of basic services like health and education. There are a range of measures in this budget that are designed to allow the government to blame the states, to blame local government, to blame families—to blame anyone else but them—for the predicament.

The cost-shifting that is in this budget, more represented of course by the $80 billion of cuts to health and education, will ensure a reduction in service quality. But it is there in other measures as well. The cuts of some $1.3 billion to funding that is given to the states for concessions to pensioners for areas like public transport, at the same time as they are cutting all public transport funding for any projects that are not already under construction, will ensure that pensioners are hit again. On top of the reduction and the cuts that are being made to pension payments and on top of the pauses in service delivery and funds, of which areas like health are so critical, there is a cut in terms of support for public transport concessions and other concessions that are given to state governments. That is an example of an underlying feature of this budget.

In my area it is exemplified by the complete abandonment in this budget of funding for projects like Cross River Rail, Melbourne metro, Tonsley Park, and Perth public transport projects. The government says that we are funding roads and that that will lead to state governments being more able to fund public transport projects. But of course they are also cutting road funding. There is a cut to projects like the M80 in Melbourne—a very important road that has been identified as a priority by Infrastructure Australia. State governments, if they are faced with the options of funding a public transport project or a road project, Infrastructure Australia has identified through the Senate estimates process again that their view is that it will lead to a reduction by the states in public transport funding as well. They will be looking for co-funding and, when faced with options, they will pick the option that will enable them to receive some of that co-funding through roads—thereby distorting transport strategy in our major cities right around the nation.

This budget is also a challenge to our values. I believe that people need the opportunity that is granted through education. This government wants to make it harder for people from humble circumstances to take on university study. I also believe that every Australian has a right to decent health care and that, if you get sick, you should receive the same treatment whether you are a millionaire or a pensioner. Most Australians agree with me. The Prime Minister does not agree. For as long as he occupies his current office he will be trying to
persuade his fellow Australians that our nation cannot afford universal health care. This is an attack on the fair go.

For this government, though, it is a fair go for those who already have means and no go at all for the poor. To this government, adequate health care, access to education, a decent retirement income and a workable public transport system are all manifestations of what the Treasurer has condemned as the 'age of entitlement'. This is all about a government prepared to take Australia back to where opportunity and security were not as available as they are in today's modern society.

I like the idea that in this country, if you really want to work at it, it is possible to rise from humble circumstances to become Prime Minister or, indeed, Deputy Prime Minister. That is about to change with the measures in this government's approach—a range of measures which will make it harder for people and a tax in direct contravention, which is the theme of this budget. *(Time expired)*

**The DEPUTY SPEAKER (Mr Mitchell):** The question now is that the amendment be agreed to. Before I call the member for Fowler, I will just let the member for Grayndler know that I am backing Butler! Member for Fowler.

**Mr HAYES** (Fowler—Chief Opposition Whip) *(10:30)*: I too rise this morning to speak on the Tax Laws Amendment (Temporary Budget Repair Levy) Bill 2014 and the supporting budget repair levy bills. In effect, we are here to talk about the government's amendments to the income tax laws, the fringe benefits tax and other aspects of Australian tax law. But the reality is that we are talking about a long list of broken promises by this government, a government that repeatedly said one thing before and during the election campaign and then, after the election, did a U-turn and introduced a good many changes.

You do not have to be on this side of politics to remember what the Prime Minister said just before the last election: 'A coalition government will keep the current income tax threshold;' 'What you will get under us are tax cuts without new taxes;' 'There should be no new tax collected without an election.' It is all very good to say that before and during the election campaign but, Mr Deputy Speaker Mitchell, as you know, that is totally wrong in terms of what has occurred here today. The government have introduced this legislation as well as the appropriation bills, being discussed elsewhere, to do just that—to introduce new taxes and to provide for tax increases. That is being done by way of the temporary tax levy, but, particularly for low-income earners and families, tax changes are being made on a permanent basis.

The so-called temporary budget repair levy is nothing but a tax increase. It is a tax increase of two per cent on Australians earning more than $180,000 a year. It will come into effect on 1 July this year and will be in place for three years. This tax increase will affect about 400,000 Australians or about four per cent of taxpayers.

I checked with the Parliamentary Library before coming here this morning, but I could not find out how many people in my electorate are earning over $180,000. My electorate consists of about 92,000 voters, along with family members. The Parliamentary Library can advise that only 1,700 of those people earn more than $104,000.

My electorate has many things to be proud of. It is a very vibrant, colourful and diverse electorate. But, in many respects, it is also an electorate with significant pockets of
disadvantage. By no means are the people I represent rich. The average personal income of my constituents is about $20,000, which is almost equivalent to the current age pension. The average household income is $55,000. So the temporary budget repair levy being proposed for people earning over $180,000, which will only be in existence for three years, will not affect a lot of people in my electorate; nor will the changes to the fringe benefits tax.

When this bill was being introduced by the Parliamentary Secretary to the Treasurer, he said, 'This is not a large tax increase and it is not a permanent tax increase,' and I would agree with that. People earning $180,000 a year probably do not regard this tax increase as large; what is more, they know that they only have to bear it for three years and then it is gone—there is no further impost on high-income earners. But if you are relying on family payments or you are a young person needing support or you are a pensioner, the changes being proposed are all permanent.

We are going to permanently redefine family tax benefit B, which will no longer be provided until a child turns 16; instead, it will be rescinded once the youngest child turns six. We have permanently changed the mode of calculation of indexation of pensions. Yesterday in question time the Treasurer and others were going to great lengths to say that pensioners are going to get their adjustment every six months. But they did not say that that adjustment would be made at a different rate. The indexation rate will change. Pensions will be indexed to the CPI as opposed to male total average weekly earnings.

I have concerns for some of the most vulnerable people in my electorate, particularly young people and the unemployed. Regrettably, my electorate has an unemployment rate of approximately eight per cent, so unemployment is a significant concern, particularly for people in Western Sydney. Even more concerning is that the youth unemployment rate is 24 or 25 per cent. We know there are a lot of issues there to be addressed. Yet, under this budget, if you are under 30 and unemployed, you will not get any benefits. You will not get access to Newstart for six months.

I have received approaches in my electorate, and I imagine those opposite would have got them as well, from organisations such as St Vincent de Paul, Mission Australia and others who are out there doing various good works for people and look out for people who have fallen on hard times. They are saying: 'How do you as politicians expect people are going to live for six months if there is no provision for them?' It is not a bad question. They think that what is implied in all this is that they as charities, as faith based organisations, will be expected to pick up the slack and look after people. They wanted to let me know that their business models, as much as they are charitable organisations, do not run on the smell of an oily rag. They understand that, in electorates like mine, where there are a high number of pockets of disadvantage, where there are great levels of unemployment, it is not just about finding a person a job, although that is very important and we understand that; it is also about looking after people who have fallen through the cracks and giving them a helping hand.

It is important to help people find jobs. But, having gone through this budget, I find that Job Services Australia providers have had their funding restricted so they are limited in how much work they can actually go and find for people. One provider in my electorate—and I know it is not just in mine; they certainly operate throughout south-west Sydney—is called South West Connect. This organisation goes out and finds ways to transition young people from school to the workplace. They do a wonderful job. I think they have been praised by
both sides of this House for what they do. But they woke up to find their total funding had been cut. They approached me last week about going to talk to local government and other organisations, even schools, to see whether they can play a part—because it is not just about the work that they do; they give people hope, they give young people opportunity. But that is gone.

It seems a pretty callous act by a government that said, 'One of the things we want to do with these young people, one of things we want to do for the unemployed, is give them an incentive.' But the 'incentive' is through taking money off them and not providing them with help into the workforce or from education into employment. They have been deleteriously affected by this budget.

In my electorate, there are about 15½ thousand families that depend on family tax benefit part B. As I said earlier, that has been adjusted in this budget. Families on family tax benefit B will no longer receive it once their youngest child has turned six. I cannot give you the actual figures, Mr Deputy Speaker Scott, but I ask you to accept that I do have a lot of single-parent families in my electorate. That is born out of the high levels of disadvantage in my electorate as well as the number of families who have children with disabilities—and, regrettably, where those children have autism, they tend to be single-parent families. It is normally the mother and the child or children. For those single-parent families, this budget is very, very harsh. Single-parent families will miss out on the $750 supplement per child once the parent earns more than $48,000. If they earn anything over that, they lose it. Families, including single-parent families, will lose the $3,000 for family tax benefit B once their child is over six. A single-parent family with two children will lose $1,500 because of the $750 that applies per child.

This is not an incentive; this is a punishment. It is punishment for those who took the current Prime Minister at his word as he went to the last election. The government cannot come along now and say: 'We've had a look at the books, we need to balance this budget and we have to put in place all these draconian measures—sorry about that. If you're a high-income earner, don't worry; it's only going to apply to you for three years. But we are making permanent changes for everyone else.' The government knew precisely what the financial position was prior to taking office. They made their manifesto known to the community and they made promises. They made promises not to introduce new taxes and they made promises not to increase taxes. It is one thing to make these changes that affect the most affluent families, the top 20 per cent of wage earners in the country; but to do this to working-class people, including people who depend on a helper, is just diabolical.

With regard to pensioners, I had the opportunity last week to attend and speak to the national seniors forum. They asked me to let all the politicians down here in Canberra know that when you are elderly, when you are living on $20,000 a year, you are more than likely going to have to visit the doctor far more often than if you are young and fit and you are probably going to have to buy medicines a lot more often than a person who is young and fit. They do not think that we in Canberra understand that, having seen this budget come down. Their pensions are not going to be adjusted at the same rate and they are now effectively going to be taxed every time they go to a doctor, with an additional $7 per visit and $5 per medication.
For all those who want to contribute and make speeches about this, I know it can run off the tongue, but in my case, my mum lives with me. She is 85. I know how often I have to take her to see a GP. I know how often I have to change medications for her, because I go and get them. Fortunately for her she is living on Dad’s retired police superannuation, but nevertheless, if you are on a pension of $20,000 and have to go and pay every time with the same frequency that my mum needs to go and see a doctor, this is a huge impost for those at that end of the scale in terms of income. It is not as if you have got the option to say, 'Look, I'll have to make it up by working another shift, or I'll do a bit of overtime next week.' This is about people who have no opportunity to acquire any further income or to make good what this government has taken away from them. This is a very harsh, unreasonable budget which affects people deleteriously. (Time expired)

Ms CHESTERS (Bendigo) (10:45): I also rise to speak to the Tax Laws Amendment (Temporary Budget Repair Levy) Bill 2014 that is before the House. Yes, it is true that Labor is supporting this, but it needs to be noted that, whilst we support it, this levy is a token effort to basically hide who is doing the heavy lifting in this budget. We have had a lot about heavy lifting in this House and in this debate. What we need to do is focus on who is doing the heavy lifting. This levy is a token effort to pretend that all in Australia are, but the facts just simply do not back up that statement. The heavy lifting is not being done by those who earn the most in our economy; it is actually being done by those who earn the least.

Here are four case studies that demonstrate this particular point. For example, for an individual on an income of $250,000 this budget will cost about $1,500. Yet for a family who have two children and a combined income of $95,000, this budget will cost them about $5,000. So we start to look at the proportion of income that this budget costs individuals and families. Another example is an age pensioner whose income is just less than $22,000 a year. This budget will cost them about $3,700. Then we have our young job seeker with an income just over $13,000. This budget will cost that young person about $7,000. As a proportion of income, individuals and families on the lowest incomes are paying the most whether it be as a percentage or in real dollar terms. The heavy lifting in this budget is not being done by those at the top end of town; it being done by those surviving on the smallest and most modest incomes. In my electorate of Bendigo, like much of regional Victoria, that is the vast bulk of people living in our communities. In my electorate of Bendigo roughly 30 per cent of the electorate is trying to survive on less than $600 a week. They are the ones who will be asked to do the heaviest lifting in this budget.

That is where the language the government has used in this budget is so misleading. It is such a lie to the Australian people to say that we all need to do a bit of heavy lifting while, as I have just demonstrated, it is those on the lowest and the most modest incomes, the most vulnerable, who are doing the heavy lifting. This budget attacks the most vulnerable in our community. The government claims that they have introduced a budget of cruel cuts, tax increases and new taxes because they believe that there is ‘budget emergency’. They believe that Australia is ‘drowning in debt’. But this is just simply not true. This is just more rhetoric and silliness and an attempt by the government to hide their neoliberal ideological approach to the Australian economy and our society.

The facts are that there is no budget emergency. Labor left Australia with a AAA credit rating. I am not the first person on this side, nor will I be the last, to remind the current
government of the legacy that Labor left behind. We left behind an economy with a stable outlook with three ratings agencies actually rating the Australian economy with a AAA credit rating. Labor left a budget which was the envy of the world with net debt well below most advanced economies. This was proven in the MYEFO, which is a true reflection of where the budgets of Labor left the state of the Australian economy. In MYEFO, Mr Hockey moved the goalposts for budget estimates just to make Labor's record look worse. An independent assessment of the Labor budget, however, proves that these changed goalposts did blow out the budget. MYEFO also included all the government's election commitments and spending promises including their gold-plated $5.5 billion-a-year Paid Parental Leave Scheme, which is an unnecessary hit on the budget. It also included the unnecessary $9 billion injection into the Reserve Bank.

The true state of the budget as left by Labor was independently verified by the secretaries of Treasury and Finance in the Pre-election Economic and Fiscal Outlook, which was part of Peter Costello's Charter of Budget Honesty, and it said that the economy was sound. It said that Labor had in fact done what needed to be done to ensure that we as an economy and as a society were able to avoid recession. It is because of the decisions that Labor made in government to invest and not to follow the path of austerity that our economy avoided recession. It was the 'recession we didn't have to have', because of the decisions that were made by the Australian government.

Any high school economics student can tell you through their own studies in high school economics that a government should invest during the down times and save during the boom times. It is the simple foundation of basic Keynesian economics. Governments have historically gone into debt to fund projects to avoid recessions. When the market takes a hit it is up to governments to turn to public investment to ensure that the pain caused by that private downturn is not prolonged. It sounds basic, yet it is a significant ideological difference between those on this side of the House and those on the other side of the House.

The world experienced a global financial crisis because of private sector decisions that led to macroeconomic outcomes. To ensure that Australia's pain was not long felt it required active policy responses by the public sector; in particular, around monetary policy actions. It required the government to invest to ensure that people remained employed. That is what Labor's response to the global financial crisis did. It ensured that people in our communities—regional communities—remained employed.

This budget attacks those most in need of our support. It is worth just focusing on the attacks on Newstart, and the suggestion that somebody who is under 30 can survive on nothing. Let us just be clear about who the under-30s are. I do not like using the word 'youth', because to me 'youth' suggest somebody in their late teens or early 20s—somebody who may still be studying, or undertaking an apprenticeship or looking for work. It is somebody who has not yet bought their first home, somebody who does not have a family. People in their late 20s and their 30s predominantly do.

I am unusual for my generation because I do not have children. But many people in their late 20s do, particularly in my electorate. It is rare to meet someone who has a house, two kids in primary school and one full-time income earner and one part-time income earner, aged 29 and 28 respectively, who would consider themselves as 'youth'. 'Youth' is a term that we think
should be kept to describe people who are finishing high school, who are starting a TAFE course or who are at university—somebody in their early 20s or late teens.

I do note that the Young Liberals and the Young Nationals consider people under 30 to be Young Liberals and Young Nationals, whereas for Labor they are under 26. It may go to the ageing demographic of the Liberal and National parties, why they have considered young people to be those under 30.

The Australian economy did experience a downturn as a result of the global financial crisis, and youth unemployment has risen significantly since then. Broader unemployment is rising slowly, particularly in the regions. That is why, within our economy, we need to make sure that we are doing more to support those young job seekers. Hitting them with a very big stick and saying, 'You can live on nothing,' will not create the jobs that they need. It is why, if we acknowledge that there will always be people looking for work, we need to have a progressive tax system to ensure that we have the money in the system to support those people who are looking for work. I believe that in a progressive tax system people on higher incomes should be paying a higher percentage of income tax than those on less. If not, if we have the situation where those on the highest incomes are paying less as a percentage than those on a lower income, it will actually create greater inequity within our system.

A progressive tax system is a way to mitigate the societal ills associated with higher income inequality. A progressive tax system is a tax structure that actually increases equality. It ensures that all within our community and our society are able to step up. This is a concept that the Liberal Party have always struggled with—it goes against their ideology.

An example of this is that during the boom times when Australia was doing well, rather than banking the savings, as is suggested by a sound economic policy—saving for when we do take a hit in our private sector—the former Treasurer, Peter Costello, introduced further inequity within our taxation system. In his budget in 2004, the big-ticket item was a reduction in tax rates for the highest income earners. Just as an example, the income tax cuts that he introduced at that time for the top threshold were equal to a net decrease of $42.21 per week. Yet somebody on a smaller income—average weekly earnings—would receive roughly a $7-a-week reduction. This, again, is an example of how the government's side of politics to give the smallest proportion of a tax giving back to the economy to those at the top end.

It is very similar to what they have done in this budget, where they say that the heavy lifting is spread to all. But as I demonstrated earlier, those on the highest incomes are paying the smallest proportion towards this heavy lifting, and those on the smallest incomes are not only paying a bigger proportion but more in real dollars.

Finally, I would like to touch on the fact that this budget is one that is built on broken promises. It needs to be noted that the income tax increase—while we do support it—does represent a clear broken promise by the Prime Minister. Before the election Tony Abbott said over and over again that there would be no new taxes. He said this on the occasion that he came to Bendigo, and it was repeated several times by the then shadow Treasurer and current Treasurer on visits to the electorate.

Joe Hockey stood in front of Liberal House, which is their headquarters in Bendigo, and said that there would be no new taxes under their government. That is clearly a broken
promise and a lie to the people of my electorate and my community. This is just the first of many new taxes that this government will seek to pass following the cruel and deceitful budget. Other taxes and increases that will hurt regional people include the increase in the fuel excise. It is understandable why somebody in inner Sydney may not understand the hit that this will have on people in the country. The simple fact is people living in the country have further to travel. People living in the country pay more for their fuel. In one part of the electorate on a Saturday the petrol price is $1.65. In another part of the electorate the petrol price is $1.50. So this fuel excise compounds the difference and the higher rates for fuel that we already pay in country and regional Victoria. Those prices are just in Bendigo, which is an hour and 40 minutes north of Melbourne, let alone as you go further and further away from the city.

The compound effect of the broken promises in this budget will hurt people in regions. Despite the fact of the inequity, the government are hiding behind rhetoric. It is time they came forward and were honest with the Australian people. This Prime Minister and his government wish to tear down everything that Australians have worked hard to build. This is a budget of broken promises. It is a budget that is unfair. This token levy basically aims to pretend that all are doing the heavy lifting when that is not true.

The DEPUTY SPEAKER (Hon. BC Scott): I call the member for Lingiari.

Mr SNOWDON (Lingiari) (11:00): Thank you, Mr Deputy Speaker, and how the hell are you?

The DEPUTY SPEAKER: Pardon?

Mr SNOWDON: How are you? Good?

The DEPUTY SPEAKER: On this State of Origin day, I can say I am feeling like we are going to win in Queensland.

Mr SNOWDON: You might be feeling blue tonight, though!

The DEPUTY SPEAKER: You have the call.

Mr SNOWDON: Can I thank the member for Bendigo for her contribution and just say that they're not Keynesians, they're more like Friedmanites, so don't be surprised at what they end up doing.

Mr Frydenberg: Milton?

Mr SNOWDON: Absolutely.

Mr Frydenberg: We like Milton.

Mr SNOWDON: Here we have it: we know precisely what they're about. My God!

Mr Frydenberg: Smith, Milton.

Mr SNOWDON: Mate, mate! You come here saying this? Smilton Milton—that'd be right! We need to remind ourselves what this bill, the Tax Laws Amendment (Temporary Budget Repair Levy) Bill 2014, and related bills are about. The purpose of these bills is to introduce an additional income tax in the form of a three-year progressive levy on taxable incomes in the 2014-15 financial year and the two following years so that individuals with a taxable income of $180,000 or less will not pay the levy except where their income, or part thereof, is subject to some other tax rate based on the top personal marginal tax rate or based
on a calculation comprising the top personal rate, and individuals with a taxable income of more than $180,000 will pay a two per cent levy on that part of their taxable income above $180,000.

Of course, we know why this bill has been introduced. It is because of the perversity of the Prime Minister in trying to tell us all before the election there would be no new taxes and then after the election introducing a suite of new taxes and charges on the Australian community. We all know a lie when we see one—and we got a barrel full of them before the election. I note the member for Solomon is leaving the chamber.

Mrs Griggs: I've got chair duty.

Mr Snowdon: You are still leaving the chamber. I hope she actually tells the families in Solomon who are beneficiaries currently under family tax benefit B—

Mrs Griggs: You're a disgrace!

Mr Snowdon: what they are losing. And, as she leaves, she might write to them all and say: 'As a result of the decisions of this government you're losing X thousand dollars a year of your personal income because of decisions supported by me’—that is, you—‘in the House of Representatives.’ I know what they will tell her.

The Deputy Speaker: Order! The member will not refer to me as the person he is speaking about. The use of the word 'you' is a reflection on the chair.

Mr Snowdon: I beg your pardon, she slipped out unnoticed.

The Deputy Speaker: It often happens in this chamber and it is a fault on both sides.

Mr Snowdon: And I know you are not the member for Solomon.

The Deputy Speaker: You have been in the chamber an awfully long time and I would ask you to refer your comments through the chair and not about the chair.

Mr Snowdon: I am so sorry, Deputy Speaker, and I would hardly refer to you as the member for Solomon. You are nothing like the member for Solomon. Thank God for you, is all I can say.

This bill is because the Prime Minister wanted us to share the burden, somehow or another. He said:

What I don't want is for a pensioner to be able to look me in the eye and say 'I'm bearing pain and you're not,' because it's got to be fair.

Then he says:

We will do it in ways which are fair, which are equitable, and which I believe will be seen to be fair by the Australian people.

Well, on any judgement, this piece of legislation and the budget that it is part of tell us very clearly that the Prime Minister and the Treasurer and his accomplices on the front bench, and all the backbench supporters of them, are telling the Australian people one thing before the election, something after, and doing something which is very inequitable and totally unfair to the Australian community. It is based on a farrago of absolute lies, that somehow or another we are in some sort of budget crisis—which of course we are not—and on the premise that the people who need to pay are those who can least afford to pay. That is what the budget and this piece of legislation epitomise.
We know what the Prime Minister said before the election because he said it on a number of occasions. On one occasion he said:

There is one fundamental message that we want to go out from this place to every nook and cranny in our country: there should be no new tax collection without an election.

He said this in August 2011 when he was speaking at an anti-carbon tax rally. I wonder which rally that was. I can just see the placards behind him. Can you? The imagery is there forever. That is the sort of Prime Minister we have got leading this country. He gets up in front of a rally and says there should be no new taxes unless there is an election, goes to an election telling the Australian people there will be no new taxes, and then immediately introduces a suite of new taxes and charges.

We in the Labor Party believe in progressive taxation. We are not unhappy about supporting this particular element. But why is it only temporary? All the other measures in the budget bills are permanent. This is a temporary levy so that the Prime Minister can look pensioners in the eye and say, 'I'm temporarily doing my share—and, by the way, on my 500 grand a year it's going to cost me what? Five per cent?' Five per cent of 500 grand a year? Give me a break! What reasonable person could say that is a fair way of dealing with the Australian community.

We know what happens when we go into the other measures in this budget. NATSEM modelling shows that families with children, those in the richest 20 per cent, see a reduction of 0.3 per cent in their disposable incomes. Those richest people in the country will pay 0.3 per cent; the poorest 20 per cent in the community will see a reduction in their incomes of five per cent. How is that equitable? How can the Prime Minister look people in the eye—as he said he would—and say: 'I am going to be doing my fair share.' He is not doing his fair share, and he is making it very clear to the Australian community he does not care how they feel nor what travesty he is perpetrating upon them as a result of this budget. They know; they are not silly. The member for Solomon scurried out of here with some excuse of chairing a committee but let me tell her and every other member opposite: the people in your communities know what is going on. They have worked you out. They have worked out the Prime Minister; they have worked out the Treasurer; and they have worked you out. You know precisely what is happening in your communities and you know that they are saying this is a very unpopular budget. They are saying this is a very unfair way of dealing with the Australian community.

My electorate, Lingiari, is among the poorest in the country. It also has one of the highest costs of living in Australia. It is bad enough to tell fibs and lies to the Australian people but it is even worse to take actions that are cruelly unfair—actions that will have a devastating impact on household budgets. Let us just go for a moment to families. Prime Minister Abbott said in 2011:

A dumb way to cut spending would be to threaten family benefits or to means test them further.

And in Our Plan: Real Solutions for All Australians—remember that great tome?—he said:

We pledge to the families of Australia we will never make your lives harder by imposing needless new taxes.

In 2013 he said:

I absolutely guarantee to the Australian people, absolutely guarantee to the Australian people, that the tax burden will be less under a coalition government.
Let us make it very clear: there are 10,487 Lingiari families in receipt of family tax benefit B. Under Labor, these families received the benefit until their children turned 16. Now, under this government, those families will be cut off from family tax benefit part B when the youngest child turns six. This cut on its own—on its own—will leave one child families $2,268 a year worse off. If they have two children they will be worse off by $5,000 a year. These are families who are struggling to make ends meet.

It gets worse. They will also lose the schoolkids bonus; it is no longer going to be paid to them. They will be paying $7 when they visit a GP. It has become very clear over the last couple of days through the comments of the health minister, the Treasurer and the Prime Minister that this is really a demand reduction strategy. This is about trying to turn people away from the health system. It is going to do that—but it will not be the likes of me or the minister opposite who will not go to a doctor, because we can put our hands into our pockets. It will not be him, or me, or any of the other members of this parliament who will not be able to afford to take their children to a doctor, get medicines for their children, send them to get a pathology test or get them X-rayed. It will not be us. It will be those poor blighters who are the poorest in the country. They are the ones. We know from people involved in medicine around this country that people are already making a judgement about not going to see a doctor when they need to see a doctor. How is that in the interests of this nation?

What this tells us is this government's short-term political fix is belting Australian families when there is no need to do so. It is going to determine for many whether or not they go and get a check-up, whether or not they take preventive health measures and whether or not they live longer. It is as basic as that. Yet this government stands up proudly and says: 'This is a fair budget for all these reasons'—all of which we have exposed as blarney. The people who are going to suffer are the people who are least able to afford to do the things they need to do: put bread in their children's mouths and go to a doctor. When they get slugged for fuel for their family car in a constituency like mine, where fuel prices are on average 22c a litre higher than the national average, it has a compounding impact. One thing I will say about this budget, which is clear to all Australians now, is that the government has no comprehension—none at all—of the impact this will have on people living in regional and remote Australia. Tony Abbott is using this budget and this bill as a smokescreen to hide the real extent of the cruelties he is inflicting on battling families. Families in Lingiari are going to have their own budgets savagely cut as a result of Mr Abbott's mean, brutal attitude towards them and the community.

And what about pensioners? They have talked about looking pensioners in the eye. We have had the minister responsible getting up here in the chamber and saying: 'They will still be getting their increase in pensions twice yearly.' We all know that; pensioners know that. But they also know that the indexation rate will change and, over time, their incomes will fall. They are not silly. How can the Prime Minister look them in the eye and pay his 0.3 per cent? I think it ends up costing him five grand out of $500,000. How can he look them squarely in the eye, the pensioners of this country, and say this is somehow fair? They are not silly.

We had the whole debate about the indexation rates of military pensions. Do you remember it? They indexed them at the same rate as that of other pensioners around the country and then, not three months later, they cut the pension rate. Service pensioners, prior to the last election, were being led to believe that somehow or other this government was going to do
them a great favour. What this government has done is told them it has sold them down the river. What this government has told them, by its very actions, is that their pensions are going to be affected in precisely the same way as the pensions of all other Australians. We will oppose this cruel tax on the standard of living of 3.2 million Australian pensioners. Fifteen thousand of them live in my electorate and I know what they want me to do in this place: they want me to speak up on their behalf. The member for Solomon has gone. The pensioners in her electorate and in every other electorate of government members want to know what they are doing to protect their interests. They know precisely what you are doing—sweet nothing.

That I think epitomises the concern we have about this budget and its attitude to carers and job seekers. It was pathetic the way in which the minister responsible said it is okay for people under 30 to be penalised in the way they are proposing to penalise them because they should be working or earning—even in places where there is no prospect of a job or of any training. What is going on in this country when we have this government introduce this legislation trying to tell the Australian people that somehow the rich buggers are suffering some sort of penalty and it is fair? It ain’t fair. It ain’t reasonable. The Australian community will cast their judgement. If the Prime Minister has the gall and the guts to come into this place and say, ‘We really do want an election over it,’ then let us have it, let us call it on. (Time expired)

Mr WATTS (Gellibrand) (11:15): I am very pleased to be able to speak on the Tax Laws Amendment (Temporary Budget Repair Levy) Bill 2014 and related bills, because they are a testament to the Prime Minister’s inability to be straight with the Australian people. I remember the last federal election well. I will remember it for the rest of my life, because it was my first as a candidate for this place. I remember the promises made by the current Prime Minister and my Liberal opponent in the seat of Gellibrand during the election campaign. I remember the coalition’s Real Solutions policy pamphlet that was mailed to every one of my constituents during the election campaign. I remember the coalition’s Real Solutions policy pamphlet that was mailed to every one of my constituents during the election campaign that said, amongst other things—it was not heavy on detail, but it did say this:

We pledge to the families of Australia that we will never make your lives harder by imposing needless new taxes …

I remember the then opposition leader’s countless promises on tax. In doorstops around the nation, we heard time and time again from the then opposition leader:

What you’ll get under us are tax cuts without new taxes.

We are about reducing taxes, not increasing taxes. We are about getting rid of taxes, not imposing new taxes.

… there should be no new tax collection without an election.

And even in one interview, when asked if lower taxes was a promise, he responded:

This is my whole reason for being in politics, in the Parliament.

Most damningly, in last year’s budget-in-reply speech, the then opposition leader said:

A coalition government will keep the current income tax thresholds … The carbon tax will go but no-one’s personal tax will go up …

And even more explicitly on the Today show last year he said:

Personal income tax will be lower under a Coalition government in its first term than it is now …
We now know that every one of these promises, and dozens more like them, were lies, fibs, fictions, falsehoods, fabrications, deceptions and deceits.

Mr Frydenberg: The tax take is down.

Mr WATTS: That is not true. Your budget papers show that the tax take is up under this government. It is up under this government, Member for Kooyong.

Their hypocrisy even stunned members of their own party. When news of the proposed deficit tax first broke, even Liberal MPs could not believe that the Abbott government were going back on their promise not to increase taxes. Liberal MPs described the introduction of the tax to *The Sydney Morning Herald* as a 'shock'. It was unimaginable to members of their own party that they would go back on such a fundamental commitment. These Liberal MPs pointed out the madness of such a move. They told the press—annonymously at first:

If it's wrong … why would you scare the electorate? And if it's right, then it's even worse because we said before the election there'd be no new taxes.

It is extraordinary to think that there are some sitting opposite who are more honest when they are talking off the record than they are when they are speaking publicly.

It was not long before some Liberal MPs were willing to put their name to their ideological distress. The member for Brisbane condemned this bill as 'a breach of a promise' that will have 'devastating impacts on the economy'. The member for Leichhardt signalled that he had 'very major issues' with this bill. This was the natural reaction of a party that were coming to terms with the fact that they were about to break one of their most fundamental promises. The backflip on tax was then widely condemned by everyone who was previously in the Abbott opposition's corner. The Chief Operating Officer of the Australian Chamber of Commerce and Industry, John Osborn, blasted the policy, stating:

Any income tax—

increase—

would be an unwelcome surprise from a new government that promised no new taxes and no surprises before the election.

The President of the Victorian Young Liberals appeared on Sky News condemning the move, brandishing a placard with the government's 'Plan to lower taxes' in disgust. It was probably not a great career move, but good on him. Even Peter Costello, the name lionised by some of those opposite when it comes to the economy, pointedly warned the government. He warned of the political fallout of breaking tax promises. He said:

If the government put such a levy in place, then long after this budget has been forgotten, the press and the opposition would still be attacking the prime minister over credibility.

We all know that we ought to listen to Mr Costello on this point, as he has long experience in attacking the current Prime Minister's economic credibility. Mr Costello further included his own increase in taxes as a breach of faith with the Australian people. He said:

In 1996 I announced a surcharge on superannuation for higher income earners.

… … …

The surcharge was one of the worst things I ever did.

Both MPs and the wider Liberal community knew what this Abbott government seemed intent upon denying—that you cannot define your political platform on the basis of lower
taxes, you cannot say that lower taxes are your whole reason for being in politics, and then in your first budget introduce a great big new tax.

To make matters worse, the government cannot even be upfront about the fact that they are breaking their election promises even today. First we heard that this bill was not a broken promise because a levy was not a tax. We then heard that this bill would not be a broken promise because the tax increase would not be permanent. We then heard the Treasurer claiming that the last two years were all just some kind of a mass delusion and in fact the opposition had never promised that they would not increase taxes. In the face of literally dozens of statements to the contrary by the Prime Minister, this was surely the longest bow since Agincourt.

All the while, as the Treasurer and the Prime Minister stretched the boundaries of the space-time continuum to try to construct a universe in which they had not spent the last three years lying their way into government, the discomfort from those opposite, who all remember the promises that they personally made to their constituents in the last election campaign, continued to grow. You can just see them listening to the Treasurer on the radio telling the Australian people that they had not really promised that they would lower taxes, digging himself further into a hole that he had created, and shouting in frustration at the wireless, 'Dig up, Stupid!' The smartest thing that the Prime Minister and the Treasurer could do at this point would be to, finally, level with the Australian people and just tell them straight out that they are breaking their election promises and then try to start rebuilding their credibility with the Australian people from scratch. It is time to give the Australian public a bit of respect and stop treating them like mugs. Unfortunately, the bill before the House is just more of the same dissembling.

The name of this bill seems to have been written in weaselese. Instead of simply calling this bill the 'income tax increase bill' or, even more accurately, the 'bill to break the Prime Minister's promise not to increase income tax', the government has sought to muddy the waters by naming this bill the temporary budget repair levy bill. Now the title of this bill was at least worth a laugh for those of us on this side of the House as we digested the government's latest set of linguistic contortions to try to wriggle their way out of their election promises. But on further reflection, I got the feeling that I had laughed at the name of this bill before seeing it on the Notice Paper. It gave me a sense of déjà vu; I had heard this joke before. After a bit of thin thinking, I realised that I had heard this joke before. After a bit of strategising, Milhouse suggests: Well, if you just want to out-and-out lie we could call it a, "temporary refund adjustment".

A temporary refund adjustment! Surely this was the inspiration for the strategic geniuses in the Liberal Party who thought that they could get away with describing an increase in income taxation as a 'temporary budget repair levy'. Sophistry of this kind worked briefly in the fantasy world of Springfield—it worked on Lenny and Carl in Moe's Tavern—but
unfortunately for those opposite, in the real world everything is not 'coming up Milhouse' for the Prime Minister.

Australians have seen through the Prime Minister's weasel words and they are angry. They are angry about being lied to before the last federal election and they are angry about being taking for mugs after the election. They are also angry because this budget slugs the most vulnerable in our community the hardest. The $80 billion in cuts to education and health; the attack on Medicare through the GP tax and the prescriptions tax; the pension cuts; the Newstart changes—the 'learn, earn or starve' changes; the Americanisation of our higher education system; the family tax benefit changes; the increase to the petrol tax: cumulatively these changes will hit the most vulnerable in our community the hardest.

This bill is supposed to be the government's fig leaf that shows that it is not just going after the vulnerable but that high-income earners are also contributing. This is, to put it bluntly, nonsense. NATSEM has done modelling that shows that among families with children, those in the most affluent fifth of our society see a 0.3 per cent reduction in their disposable incomes as a result of this budget, while those in the poorest fifth see a five per cent reduction in disposable incomes. Instead of sharing the burden equally, this is a budget that redistributes income from the poor to the rich.

I can speak personally on this matter. As the Prime Minister and Treasurer have repeatedly stated, this increase in income tax will apply to the federal parliamentarians in this chamber. Well I dare anyone in this room, earning close to $200,000 a year and being asked to pay at most an additional few thousand dollars in tax each year, to look a 25-year-old with no source of income as a result of this budget in the eye and tell them that we are sharing the burden equally. Are any of us facing homelessness as a result of this budget? Are any of us reconsidering our future career options as a result of the changes to higher education? Are any of us now looking at our future with alarm as the pension that we had planned on in our retirement decreases over time, and cuts to pensioner concessions mean substantial increases to our cost of living?

To add insult to injury, this last-minute PR exercise is a botched job too. As already indicated by other speakers on this side in the House in this debate, Labor has serious concerns about the shabby and rushed way this tax has been put together, particularly in relation to the fringe benefits regime. It is a quirk of our tax system that the fringe benefits tax year and the income tax year run to different schedules. This means any changes to the tax system should be structured so that taxpayers cannot avoid paying higher taxes by cleverly reconfiguring their affairs. Unfortunately, the rushed nature of this deficit tax means that Treasury has not been able to put these precautions into the legislation as I am sure they would have liked to have done given more time. What this means is that wealthier Australians will have a full year to shift their assets into fringe benefits so as to avoid the increase in tax. And we will see a large number of Australians earning under $180,000 who will be whacked by their employers.

So once again, under the Abbott government it may be the Rolls Royces pulling into the work car spots that are better off than the battered old Toyotas. It is the fitting outcome of a budget process designed to make ordinary Australians suffer. It is a process that confected a 'budget emergency' when no budget emergency existed. It is a process that claimed to fix this
'budget emergency' by breaking one of the Abbott opposition's most fundamental promises to the electorate: not to raise taxes. Most significantly, this budget process is one that will hurt ordinary Australians.

We need to take a big picture approach to reducing our budget deficit in a way that does not overly harm ordinary Australians. We need to ensure that taxes and spending decisions work together to protect our economic prosperity while giving Australians the fair and equal society that they want to live in. What we do not need is a budget that hits vulnerable Australians the hardest; a budget that fundamentally attacks the tenets of Australian society, including a fair go, exemplified in policies such as universal health care and a quality, accessible education; or a budget that thinks that temporary taxes on the super-rich are enough to justify such an assault on the Australian way of life. The Abbott government's attack on Australian values should be condemned for the sham that it is. Australians did not vote for this and they do not want it.

Mr CIOBO (Moncrieff—Parliamentary Secretary to the Treasurer) (11:28): That was quite an extraordinary contribution from the member for Gellibrand. In particular, it was the sheer hypocrisy of his statement talking about how he disagreed with the reform to the tertiary education sector, when he himself went through a private university. How extraordinary that once again we have another Labor member come into the chamber and rail against deregulation of the tertiary sector and say how inappropriate it is and how dare students be required to pay fees for their university education, when he himself went to a private tertiary institution. The hypocrisy seems to know no bounds.

But it is more than that. You would have thought, having listened to that contribution, that Labor are opposed to these bills. I bet there are very few members in the public gallery who thought that that was a speech in support of the bill. The notion that Labor members would contribute in the way that they have, but actually not be opposing this bill, is extraordinary.

But the thing is, Deputy Speaker Vasta, you have got to ask the question: why is Labor doing it? Why are Labor members adopting this approach where they rail against it and they say how bad it is but then they will just sweep it through. The reason why—let me explain—is because, for the Labor Party, this is not about policy; it is about politics. We see Labor member after Labor member both in the chamber and in the media get on their high horse about this budget and rail about how it is unfair to working Australians and talk about how the cuts are unnecessary and make claims about how there should be no tax increases, and talk about how the fuel re-indexation is going to add 40c to the average cost of a tank of fuel for the average Australian family. But they never mention the fact that we are trying to cut the carbon tax and save households $550 a year. They never mention the fact that, as a result of Labor's reckless spending over the last six years, we have seen Australia reach the point where we had the fastest-growing rate of government expenditure out of the 17 surveyed IMF countries in the world. They never mention the fact that, thanks to Labor's spending, Australia is going to face a situation where the next generation of Aussie kids will be paying off Labor's debt for 20 or 30 years.

Instead, we get the Labor Party coming here and saying: 'We don't like this budget. This is a very nasty budget. We don't like the cuts that have been made. These aren't appropriate. We don't like the changes to the growth in pensions. That's not appropriate. We don't like the temporary budget repair levy. That is not appropriate. Oh, but we are all about fiscal
responsibility.' You know what, Deputy Speaker Vasta, the Australian public can see straight through the sham that is the Australian Labor Party. Because whilst Labor likes to run around the countryside and make out that they are all about standing up for average Australians, the truth of the matter is that Labor's position on the budget, and Labor's response to the announced changes that we made in the budget, represent nearly $40 billion of additional spending that Labor wants to put back into the budget. This is at a time when this government is doing what it can to try to save the next generation of Australians from inheriting a country with more debt that we inherited and at a time when we are trying to stop Australia continuing on the pathway where this country was left borrowing $1 billion a month just to pay the interest on the debt that Labor accumulated.

Is it any wonder that we say the Labor Party cannot be taken seriously? Because, unfortunately, there is one inescapable fact, and that is this: we cannot continue with the status quo. We cannot continue to live beyond our means. We cannot continue to borrow $1 billion a month just to pay the interest. As I often say to constituents, that example is the same as saying to a constituent, 'You keep paying your monthly instalment of your mortgage on your credit card.' The Australian public know that that is not a long-term solution. They know that that is not a sustainable solution. They know that that is not the approach that makes sure they live within their means. But the Australian Labor Party says that is absolutely fine. The Australian Labor Party are happy for us to continue borrowing a billion dollars a month. They will say that they are not; they will say that they are all about responsibility. But, unfortunately, when the rubber hits the road Labor never puts forward any solutions. Instead, they rail against our changes, they rail against our reforms and they, as a consequence of their decisions, have Australia in a situation, if they were in power, of wanting to put $40 billion spending back into the budget. So I certainly don't take the Labor Party too seriously.

Ms Kate Ellis interjecting—

Mr CIOBO: I take the interjection from the shadow minister opposite, who said, 'They would not want to find themselves in hospital.'

Ms Kate Ellis: I didn't say that at all.

Mr CIOBO: Well, what was it you said?

Ms Kate Ellis: I said, 'Imagine wanting to fund schools and hospitals!'

Mr CIOBO: Sorry, it was worse—'Imagine wanting to fund schools and hospitals!' We see Labor members saying, 'Imagine'—I assume dripping with sarcasm—'wanting to fund schools and hospitals!' Implying, once again, as Labor has done in an explicit fashion through the Leader of the Opposition, that we have cut funding, $80 billion, for health and education. But unfortunately the facts just do not accord with Labor's rhetoric on this. Once again we have a situation where Labor is deliberately going about with a campaign of misinformation in a deliberate attempt to try to misrepresent the facts.

Mr Frydenberg interjecting—

Mr CIOBO: As the member for Kooyong rightly points out, the facts in the budget papers are very clear. We are in fact going to put an additional $1.2 billion into education funding over four years. We know what the Labor Party—and I say this as a representative of the great state of Queensland—was going to do in terms of education funding for Queensland and Western Australia. It was going to rip $1.2 billion out of education funding. They never
highlighted it, they never said it before the election but when the Pre-Election Economic and Fiscal Outlook was outlined and actually taken to the Australian people we saw sneaky little Labor with $1.2 billion ripped out of education funding. We put that money back in.

Let us talk about health funding.

Mr Frydenberg interjecting—

Mr CIOBO: What we know about health funding is that health funding, as the member for Kooyong helpfully points out, is going up by 40 per cent over the forward estimates. In fact, funding to hospitals is going up, compounding, nine per cent, nine per cent, nine per cent and six per cent in the final year. How extraordinary that the Labor Party can say, when you are putting in nine per cent plus nine per cent plus nine per cent plus six per cent, that is a cut to health funding. Only the Labor Party can do that. Only the Labor Party can say that a 40 per cent increase is a cut. We don't really know how they do maths on their side. We have never really understood Labor's approach to finances. But I think the Australian people do.

The final point in relation to pension changes is that we continue to hear the Labor Party say, 'But the coalition is going to cut pensions.' Once again, fundamentally untruthful and wrong.

Ms Kate Ellis interjecting—

Mr CIOBO: The shadow minister at the table just turned round and said, 'Correct.' So we see once again that Labor is deliberately, and unfortunately, trying to manipulate the fears of the community by saying that we are cutting pensions. It is simply untrue. The coalition is actually making structural reforms to the pension so that the rate of growth is slowed. Make no mistake, it will still grow but the rate of growth will slow. Let me spell it out for the Labor Party why we are doing it. Labor do not understand why, because if Labor understood why they would support us.

So it is pretty clear that Labor do not understand the reason. The simple reason is that the Labor Party's policies are unaffordable. The policies of the Australian Labor Party are what got Australia into a situation where we went from zero net debt to being on a path to reach $667 billion of gross debt. Thanks to the Australian Labor Party, in six short years that was the path that they put us on. So when the Australian Labor Party asks, 'Why are you doing it?'' we can say that that is the reason. Those on this side of the House will stand up not only for today's Australians but for the next generation of Australians as well.

We understand the rank political opportunism of the Australian Labor Party, who run around and say, 'These reforms are unnecessary. These are cruel, heartless reforms; they do not need to be undertaken.' Let me make it clear to members of the Australian Labor Party: they do need to be undertaken. They need to be undertaken to ensure that the next generation of Australians do not spend decades trying to pay off the debt burden that has been left to them by the Australian Labor Party. So the news flash to members of the Australian Labor Party is this: you have got to live within your means. Households do it and we expect governments to do it.

In terms of summing up the bill I would like to touch upon a couple of points. The first is to thank members of the government for their eloquent contributions to the House. Anybody listening to the debate—anybody who takes the time to read the transcript of the debate—will see the difference in approach between the populism of the Labor Party and the necessary
heavy lifting that the government has put forward in terms of government members' contributions. They would also know that, as a consequence of these reforms, the underlying cash deficit is projected to be $60 billion over four years to 2017-18, compared to $123 billion over the four years to 2016-17 that was released in the 2013-14 mid-year economic and fiscal outlook.

Let's make that clear. Under Labor the cash deficit was going to be $123 billion over the forward estimates—the four years to 2016-17—and now, as a result of the changes it will be $60 billion. That is less than half, as a result of the reforms that we are putting forward. So instead of gross debt reaching $667 billion by 2023-24 we are now forecast to have gross debt of $389 billion—a saving of some $300 billion. That, in essence, underscores the reason we are doing not what is politically popular but what is necessary so that Australia does not continue to have a massive mountain of debt and deficit going forward.

The 2014-15 budget is the first step in our action plan to return the budget to a more sustainable footing. The steps we have taken to improve the sustainability of the budget in the longer term, however, by themselves are simply not enough. It will take time to generate the necessary savings over the longer term. And that is why we have also introduced a range of temporary savings measures to help with the immediate task of budget repair. It is in the context of the immediate task of budget repair that we have introduced these bills—that is, the bills related to the temporary budget levy. The temporary budget repair levy will start from 1 July 2014 and remain in place until 30 June 2017. It is progressive and will apply at a rate of two per cent on individuals' annual personal taxable income above $180,000. This measure will raise some $3.1 billion over the forward estimates period.

In 2014-15 around 400,000 taxpayers—that is, less than four per cent of taxpayers—will directly incur the temporary budget repair levy on their personal taxable income. This package of bills introduces the temporary budget repair levy on high income earners, ensuring that they are also making a contribution to reducing the budget deficit.

This package of bills also makes important consequential amendments that will maintain the integrity and fairness of the tax system, and minimise the opportunities for taxpayers to avoid the levy during the three years that it is put in place. The government does not support the amendment moved by the member for Indi, as we are committed to the temporary nature of this levy. I also point out to the member for Indi that we have pursued a range of structural savings that will grow over time. Full details of the bills are set out in the explanatory memorandum. I commend the bills to the House.

The DEPUTY SPEAKER (Mr Vasta): The original question was that the bills be now read a second time. To this the honourable member for Indi has moved as an amendment to the Tax Laws Amendment (Temporary Budget Repair Levy) Bill 2014 that all words after 'that' be omitted with a view to substituting other words. The immediate question is that the amendment be agreed to.

A division having been called and the bells having been rung—

The DEPUTY SPEAKER: As there are fewer than five members on the side for the ayes, I declare the question resolved in the negative in accordance with standing order 127. The names of those members who are in the minority will be recorded in the Votes and Proceedings.
Question negatived, Ms McGowan, Mr Bandt, Mr Wilkie and Mr Katter voting aye.

The DEPUTY SPEAKER: Pursuant to the resolution agreed to earlier, I will now put the question on the Tax Laws Amendment (Temporary Budget Repair Levy) Bill 2014 and 14 related bills.

Bill read a second time.

Third Reading

The DEPUTY SPEAKER: The question is that these bills be now read a third time.

Question agreed to.

Bill read a third time.

Export Legislation Amendment Bill 2014
Export Inspection (Quantity Charge) Amendment Bill 2014
Export Inspection (Service Charge) Amendment Bill 2014
Export Inspection (Establishment Registration Charges) Amendment Bill 2014

Second Reading

Cognate debate.

Debate resumed on the motion:

That this bill be now read a second time.

Mr FITZGIBBON (Hunter) (11:53): The Export Control Act 1982 provides the basis for ensuring exports meet the requirements of the importing country. Labor welcomes this bill, the Export Legislation Amendment Bill 2014, which will provide a fairer and more consistent approach to cost recovery for services provided by the Department of Agriculture to exporters. The bill seeks to remedy technical defects and inconsistencies, which will in turn allow the Department of Agriculture to recover an estimated $1.9 million each year for the provision of export services for commodities which are currently excluded from cost-recovery mechanisms. It does so in part by tidying up and standardising the definition of 'prescribed goods' across, I think, seven statutes.

These changes are important because Australia exports around 65 per cent of our farm products, 75 per cent of our fish products and some 60 per cent of our forest products. So, obviously, our international markets are absolutely critical to the health, wellbeing and profitability of our agriculture sector. As we strive to fully capitalise on the Asia-led dining boom, a full and efficient cost recovery of export services will be of increasing importance, given how important our brand image is in those international markets.

Changes to the export legislation will ensure that Australia's exports meet importing-country standards and that our reputation for clean, safe, green food is maintained in those markets. However, changes will be required to Australia's biosecurity legislation more generally for the above points to be achieved and maintained. At this point, I will move the second reading amendment which has been distributed in my name. I move:

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 notes:

(1) the importance of updating legislative requirements that impact on Australia's biosecurity;
(2) that the Quarantine Act 1908 is over a century old and new legislation is needed to support safe and seamless transition of goods and services across Australia's borders; and
(3) the Beale review recommended that Australia update its biosecurity legislation to ensure Australia's biosecurity systems remain world-class.”

The DEPUTY SPEAKER (Mr Vasta): Is the amendment seconded?
Ms Kate Ellis: I second the motion and reserve my right to speak.
Mr FITZGIBBON: This legislation is important. The former Labor government, in response to the Beale review, had a larger reform and modernisation program for our biosecurity system. Raising farm gate profits in a sustainable way should be—and I am sure it is—a common goal for all of us in this place, particularly those of us who have an intense interest in agriculture. To achieve this we must ensure that pest and disease threats are minimised and well managed, and a modern, robust biosecurity act will be a powerful step forward in this process.

On 28 November 2012 the former Labor government introduced the Biosecurity Bill 2012, which established the office of Inspector-General for Biosecurity. That bill was introduced in the Senate by the former Minister for Agriculture, Senator Joe Ludwig. Until that legislation was passed, we appointed on an interim basis an Inspector-General for Biosecurity. This was a first step in our modernisation plan—a step taken after the Beale review, which was one of many reviews, including the Nairn report, into our biosecurity system. That legislation was referred to the Senate Rural and Regional Affairs and Transport Legislation Committee for further consideration, but subsequently lapsed as a result of the proroguing of the 43rd Parliament.

So here we are nine months into this new government and we still have not seen the return of those bills. Interestingly, we asked in Senate estimates this morning about the status of those bills and when the parliament might see them again. Unfortunately, we were not able to get an answer. As the Beale review reminds us, Australia's privileged pest and disease status confers a significant economic, environmental and community benefit for this country. And there is some urgency to get this modernisation program completed, and I urge the minister to, at the very least, inform the House when he sums up on this bill where that reform program is and, indeed, whether we can expect to see it return, if not in the same shape and form as that produced by the former Labor government, in some form in the government's own name.

I said that our clean, green, safe image gives us a competitive advantage around the world—and it certainly does. That is why I have expressed concern about the suggestion that the government is considering merging our biosecurity services into the new border force—which, of course, has responsibility for both immigration and customs. Labor is always happy to talk about reforms and potential efficiencies, but imagine a government entity which is responsible for immigration, customs and biosecurity control. I suggest that, in the absence of significant safeguard mechanisms, in that equation biosecurity runs the risk of being the third poor cousin with less money, less resources and less love and attention.

Further, biosecurity is a highly complex area and requires a high degree of expertise and experience. The department has thousands of officers working in this area—not just sitting behind desks in Canberra but also sitting and working in our seaports, in our airports and in our quarantine stations right around the nation. We cannot accept any diminution of our
biosecurity protections. As we look to the Asia-led dining boom, our clean, green, safe image, as I said, will be of critical importance. The Australian brand will be of critical importance as we compete with other nations for the growing food demand around the globe and in Asia. This really should be front and centre of the minds of every government.

In the short period I was agriculture minister, I often thought that the title of the ministry—and I still think it—would be better described, if biosecurity were part of that title, for example, as the 'Minister for Agriculture and Biosecurity.' I think, apart from those in this place who have been the minister, the shadow minister or had an intense interest in this area, including my good friend the member for Parkes—I know it is not Parkes—Calare; they keep changing the names, including the member for Calare—they appreciate that biosecurity is a very large part of the work of the agriculture minister in this place; and rightly so, given the complexities and the importance of biosecurity in keeping pests and disease out of this country. Imagine, if in this country, we had the sort of outbreaks we have seen in the UK and in Europe more broadly with foot-and-mouth and other diseases like BSE, and the outbreaks of BSE in northern America. These are critical matters for Australian agriculture and therefore the Australian economy.

I had a meeting just before I came in here to make this contribution with the Invasive Species Council. I make no judgement at this stage on the merits of the case they put to me but they made some very, very important points which I am going to have a closer look at. They are calling for a Senate committee inquiry into Australia's state of preparedness for new environmental invaders. Their concern is not predominantly for agriculture but for the natural environment. Of course, as the member for Calare would know, it is difficult to differentiate between the two, because the future of our agriculture sector is very much tied to the future of our natural environment. That is why in this place I have often expressed dismay at the government's decision to exclude natural resource sustainability from its agricultural white paper.

I do not know how you properly prepare for the opportunities the Asian dining boom presents to us while not also asking how we are going to produce more food with the same level of land, water and people resources or, in some cases, depleting resources—and I am referring there to land resources and water resources, which are a real issue for this country. I do not know how you plan for agriculture without dealing with the state of those natural resources, including the impact of climate change.

The Invasive Species Council alerted me to the fact—and I was not so much aware of this when I was agriculture minister because they are probably more an issue for the environment minister—that since 2000 there have been multiple failures of environmental biosecurity, resulting in new extremely serious threats to biodiversity and putting increasing pressures on environmental and biosecurity budgets. They give a whole list of those from red imported fire ant, yellow crazy ant right down to myrtle rust.

They say there has been no parliamentary oversight of environmental biosecurity, no investigation of the factors that have led to repeat failures and no evidence of changes made to improve biosecurity processes. They also go on to say that, since 2000, there have been at least 18 Senate inquiries into specific biosecurity failures or perceived inadequacies, all initiated for industry reasons; just one had relevance to the natural environment. If those figures are correct, I think they make an important point about whether we are properly
focusing on all of the issues that present risk for our natural environment and therefore the agriculture sector.

Again, I make no judgement about the issues they have put forward but I will certainly, having just come out of the meeting, have a look at what they have had to say and determine whether there is sufficient merit in their proposition to warrant a Senate or some other form of inquiry into the issues they raise.

As the Beale review points out, we can never hope to have a zero risk in our biosecurity system. It is impossible for an island country like Australia in this part of the world, but we must strive to have the very best biosecurity system in the world, one that protects the clean, green, safe image I was talking about.

The idea of consolidating biosecurity into the Border Force is not one that was recommended by Beale—and I did not recheck the Nairn review but I am sure it was not recommended back when Professor Nairn did his review. I make the point that even the Prime Minister's own Commission of Audit showed reluctance in making such a recommendation. It made reference to it but it certainly did not make a recommendation that that course of action be pursued.

I make an appeal to the minister, the Prime Minister and the Treasurer not to rush forward with this idea of folding biosecurity into the Border Force. I think that is a discussion that should happen over a long period of time and I can foreshadow that this side of the House would take some convincing that the same level of resourcing, funding, attention and priority and the same retention of sufficient expertise, including our scientists, that we expect would maintain the level of biosecurity in this country.

I also make a last-ditch appeal to the minister to say something about the border biosecurity reforms when he sums up in this debate. With your indulgence, Mr Deputy Speaker Vasta—and it is particularly relevant, given you are currently occupying the chair—I take this opportunity ahead of tonight's game to say: Go the Blues.

Mr JOHN COBB (Calare) (12:07): The shadow minister correctly mentioned the importance of biosecurity. The Export Legislation Amendment Bill 2014 and cognate bills are about the affordability of biosecurity. He mentioned that we are a large island. I am not sure whether we are on the smallest continent or the biggest island in the world, one or the other, but we have the luck of being surrounded by water and Tasmania takes even more advantage of that than the rest of the country, but that is another issue. This bill is about the biosecurity needs of our customers and about the needs of Australia. Biosecurity is a two-way trade. We need to be very careful about how things come to our country and about our reputation as goods go out. As the member for Hunter correctly said, without a doubt the greatest selling point or marketing tool for the two-thirds of our production which leaves our shores is our clean, green image and our reputation for having equal to the best if not the best agricultural commodities in the world, whatever they may be.

I stress that this is also about the practicalities of trade. Australia is a trading nation and a resource-rich nation. Coal and iron ore can be stockpiled forever but perishable agricultural products in particular cannot be stockpiled. So you have to have your boxes lined up. It is no secret that I am a big believer that a lot of our future lies in our near neighbours. There are probably 400 million people in the three biggest countries closest to us—Indonesia, the
Philippines and Malaysia. There is pretty much nothing we produce that they cannot use. I believe in the future they should play a very much bigger role in trade than they do currently. It seems to me incredible that we do more trade with New Zealand, a country of 4½ million people, than we do with almost a quarter of a billion people in Indonesia. That is something we have to redress. I see Indonesia as being a very big part of our future, not to mention the other countries. Wherever it goes, this is very much about us protecting our trade position and about protecting us from the things that come into Australia.

We must never lose sight of the fact that the bulk of our broadacre commodities—wheat, beef or wool and in the case of wool almost 100 per cent—are exported. For wool and grain, AQIS is not such a huge cost. For meat and niche market horticulture, and for new players in trade, the cost of paying for AQIS is a very serious issue. For those wanting to become established, it is a very serious issue. In striving for cost recovery, we should never for one second forget or assume that AQIS is always on top of its game, or it is always as efficient and with the least cost to industry as it can be, because certainly it is not.

Personally, I believe the only way we will get to that peak efficiency is through contestable issues. As an example, in an inland town like Mildura in the Sunraysia I have met and spoken with a lot of people who, if they are not able to now, want to get through what is a complicated issue. We must make it contestable to act on behalf of the Commonwealth in biosecurity issues and train people to become experts to do inspections. It could be somebody who has another business or is educated in these things. It would be much cheaper for somebody who lives in the region to do an on-site inspection for all that is required by the country we are exporting to.

I am not convinced that we are totally on top of the game with the way AQIS works. AQIS is an essential body. The shadow minister was spot on when he said how important biosecurity is to us. We can be more efficient and less cost onerous particularly to new and small exporters for whom it can be a serious issue. In the past, we have committed to looking at the Commonwealth's responsibilities in some of these situations. In a sense, AQIS in some ways acts on behalf of the taxpayer, not just on behalf of the exporter.

I have always believed that we never get the best out of all of these things until we make them contestable. At the moment we are trying to create a level playing field, so I guess we are doing the right thing. In the future, we will have to look beyond what we are doing now to make it more efficient and faster. We have to make sure AQIS responds very quickly. There is not always a lot of warning when people are able to stitch up a deal, especially with China. China is a moving feast. We do not as yet have that trade deal, so we do not have specific lines of process and things can happen very quickly. The more we can speed things up and get involved with our near neighbours in providing what they want the better. We have to learn what they want and they have to learn what we have got. But never forget that the customer is always right.

I do agree with the shadow minister that biosecurity is a big thing for us. May AQIS never be moved out of the Department of Agriculture. AQIS's place is in the Department of Agriculture, in a very specific and a very important way. I take my hat off to those small exporters, particularly in horticulture and the smaller ones outside broadacre industries, who work their guts out. Agriculture can be a disastrous game in the broad sense, but even in the specific sense in horticulture things can happen overnight and they can get wiped out. They
have to have the right crop at the right time, and they have to be able to act quickly. That is another reason that those doing the inspections have to be able to respond quickly when they are called upon and another reason that it should be local people who are trained to do this and not necessarily government employees. That could be a very good thing.

There is another reason that this is all so important for speed and every other thing. Agriculture in Australia is the oldest profession in this country since European settlement—and I presume our original inhabitants were agriculturalists in one way; they certainly harvested the country. I am totally convinced that unless every commodity has an export opportunity, they are never going to realise or be free of the yoke which is being felt more so in recent years, given that the domination of the two big supermarkets is up to 70 per cent or 80 per cent, whereas 25 or 30 years ago it was only around 40 per cent. The only way producers can be free of the yoke of the supermarkets is if they do not need them and they have an export option. I think that is incredibly important and it is why it is so important that we are able to respond quickly to the needs of exporters, large or small, broadacre or intensive. In that way, it will be easier to find markets where they can regularly supply some of the best products in the world, wherever it may be around the world, particularly to near neighbours. Our exporters and those who work with them and for them are the actual commercial heroes of our country. They need our protection.

Ms O’NEIL (Hotham) (12:18): I am very pleased to be able to support the Export Legislation Amendment Bill 2014 and the related legislative package that implements a number of changes to our export legislation. For those watching at home, for the kids up in the gallery and those who are with us today, the legislation before the House is particularly concerned with how we regulate the exports of food in Australia. As you can imagine, the export of food is a rather complex business. We export to lots of different countries and they all have different standards and conditions that we need to comply with. This is particularly true in the context of meat exports. The Department of Agriculture plays an incredibly important role in helping our exporters take their produce out to the world. One of the ways it does this is by providing certification that the food that is exported from Australia meets certain conditions.

The amendments before the House today have the role of clearing up some technical defects in the way that the exports legislation is drafted—some things around differing definitions from one piece of legislation to another. Another very important impact is facilitating cost recovery. That means that the costs associated with exporting which the department bears at the moment will actually now be borne by the exporter. For some, this may sound a little technical and dry, but these are actually very important parts of the broader framework for food exports and for biosecurity protections, which Australia provides and which are so important to the industry.

It is an important part of Australia's economic future. These are not things that just affect us today. Despite the fact that a lot of Australians perceive agriculture to be a declining sector, food exports and agriculture are among the most important parts of our economy today and something that we project will grow significantly into the future. Over the next 30 years, global demand for food is going to double and a lot of that growth is going to come from right within our region. So we will see significant increases in populations around Asia but also
changing tastes, which, excitingly for Australia, are leading consumers to value even more products that we grow in our great country.

One of the great things about agriculture for Australia is that it is an area where we have a real competitive advantage. Of course, we have a rich and proud tradition of agriculture, but we also have some logistical comparative advantages in that we are close to areas of significant population growth. We do not want to exaggerate that, but we are close to those Asian countries where food demand is growing so much. A Deloitte report was published in March called *Positioning for prosperity?* that goes into some of these issues. That report estimates that over the next 20 years Australia is poised to reap significant benefits from growing our food exports and processing industries. Deloitte estimate that this could add $250 billion to our economy over the next two decades. This is really important stuff. Deloitte went on to talk about how Australia could become the delicatessen of Asia, offering high-value, high-margin products. So it is an exciting future that we have to look forward to and it is a very important one.

I raise this because the legislative framework that sits around the amendments that we are discussing today is very important to this future for food exports. One of the significant selling points about food exports from Australia is the perception that food grown here is safe food and good for the people to whom we export. The Deloitte report actually said that food safety standards are one of the most important elements that are valued about food exports to Asia. Thinking specifically about incidents that we have seen with baby food, which is one example that is often put forward, nothing really could be more important than the security we place around the food system here in Australia and the food system that protects our exports.

Labor has a pretty good story to tell here. It is one that we are very proud of, one that the second reading amendment speaks to, and one that our shadow minister, the member for Hunter, talked about earlier this morning. While Labor was in government $1.6 billion was invested to try to minimise threats to our primary production sectors. These are sectors that, as you can understand, really underpin our reputation as a reliable exporter of high-quality food around the world.

The most recent review of our biosecurity measures has been the Beale review, that Labor commissioned. The member for Watson was the minister at the time. We really wanted to make sure that Australia was in the best position to take advantage of the significant growth in demand for food, which I have talked about. It was a very wide-ranging assessment and made some very important findings. I will go through some of the highlights. One of the important things about the Beale review was the threshold question about the standard of our biosecurity and quarantining regulations in Australia. They are working well but there are things we need to improve and one of them is efficiency. I have heard other members talk through that today. This is about targeting resources where we are going to have the greatest return for our primary producers. Another chestnut is encouraging greater cooperation between the Commonwealth, states and territories. That is something that affects all areas of legislation but specifically this area of exports. Another is around improving the transparency and processes in relation to biosecurity operations.

The legislation that is before us today actually does go right into the Beale review and the things that came out of that important review. I want to use this opportunity to urge the coalition, who are now governing this area, to continue the important work that is yet to be
done on implementing the remaining recommendations of the Beale review. We introduced the Biosecurity Bill 2012 and the Inspector-General of Biosecurity Bill 2012 in the Senate in November 2012. These were the first steps to the development of a really comprehensive modernisation of Australia's biosecurity regulatory framework. I note that in the second reading amendment the member for Hunter has put forward that he mentions the Quarantine Act 1908 is over a century old. We all know that things have changed profoundly in that time. We really urge the coalition to continue that important work that Labor began in modernising the framework that protects our food exports in Australia.

I make those points simply to make it clear that this legislation is part of a broader framework of protection that is so important to our farmers and farming communities. It is a protection framework that will see Australia continue to be well served, but we do want the reforms to be pushed and for continued pressure to make sure that Australia maintains its reputation as a land of really clean and secure food sources. The more we protect our reputation, the better for our exporters and the better for those communities that depend so much on agriculture. I commend the legislation to the House.

Mr RAMSEY (Grey) (12:25): I rise to speak to the Export Legislation Amendment Bill 2014 and the associated bills. This legislation is pretty straightforward. It will address an anomaly which sees export inspection and registration processes taking place across a wide range of goods. But it is part of a user-pays system. Only some of the users are paying for the service at the moment. There are 676 establishments who are registered exporters of grains, fruit and vegetables. However, there are 269 who have not, up to now at least, paid the fees. They are exporting things like cut flowers, dried fruit, fodder, nursery stock, nuts, seeds, timber products and tissue culture. They are not paying now, as I said. Undoubtedly they will not love the fact that they will have the opportunity to pay in the near future. But it is a bit like the budget. There are things that you know are right, and sometimes we have to do what is right. So I am sure those businesses that are currently exporting without paying these fees will cope.

Much is said about the exponential growth in demand for food worldwide and what Australia's place might be in that. Much is said about the people in the quickly expanding middle classes of the nations to our north who will undoubtedly, unfortunately, probably like Australians, learn to eat more. But importantly, as far as Australia sits, they will have a vastly changed diet. They will be looking for higher protein diets, a higher basis of manufactured good, and very clean, green products, because they are a very discerning population.

Australia has great opportunities in this area. I gave a speech to this chamber last night that touched on some of those opportunities. One is our proximity to the markets. If we cannot get our food fresh, safely and economically into Asia then you have to ask yourself who can. There is also this great opportunity for Australian producers to actually change the make-up of the products that we try and sell into Asian markets. That might mean through the manufacturing process, but it also might mean through value-adding some of the products that we grow here already. Australia have a very large and efficient grain industry, and we export most of that grain as a bulk dry commodity, with very little value-add as it leaves the shores. I perceive a great opportunity for Australia in livestock, in the provision of meat protein into Asia. I think as their diets change and people have more income they will be looking for a heavier input of protein, much as Western nations have done.
This is a great opportunity for Australia because we can produce livestock here that will have the clean, green image and that will be taken quickly from the abattoirs into the markets, quite possibly as fresh product as well as frozen. Of course, there is also the opportunity for live export. This potential expansion will be a very big value-add for Australia. But we cannot underestimate how sensitive these Asian markets are, particularly the high-price markets, to being clean, green and having a reliable product.

In 2012, I was fortunate enough to be part of a bilateral parliamentary delegation to China. We visited Beijing; Kunming in the Yunnan province, in the fast-growing south-west of China; and also Shenzhen, in the Guangdong Province. It was an enlightening trip, especially to the south where we visited a number of Australian businesses with a significant and expanding foothold in China, businesses such as ANZ Bank China’s back office and an export cut-flower industry being facilitated by Australia’s largest fresh cut flower wholesalers, the Lynch Group.

It was in Kunming that we met a young woman, who, with her mother owned three department stores. She was very keen on being able to get Australian products into her shop. I do not think we in Australia understand the shock in China of the 2008 melamine milk scandal. This is now etched deep in Chinese minds and those people who can afford it are looking for a safe product. This woman said to me, 'I eat Australian food; I provide Australian food for my family whenever I can, at every opportunity.'

At this stage I would like to congratulate the Minister for Trade and Investment, Andrew Robb. He has had fantastic success in forging bilateral trade agreements with Korea and Japan just this year. We are very hopeful—and he is very hopeful—that a deal is getting very close with China. There are some people in the Australian public who are distrustful of trade deals; they should not be. Every opportunity opens up more opportunities for Australian businesses. It must be remembered that Australia has very few trade barriers. We have quarantine laws, but they are driven by science, not by trade issues, as it should be. We have very few trade barriers, so we have very little to lose in forging these bilateral trade agreements. Most of these nations already have good access to our markets. What the bilateral trade agreements are about is getting better access to their markets. Of course, in some cases, it is not 100 per cent open. It is not a completely free trade deal. But any deal that improves the baseline situation we are in today is better than where we were yesterday.

I think it is interesting when we talk about free trade deals to reflect on the New Zealand experience. New Zealand has a free trade deal with China. It has led to a booming economy and a huge expansion in profits, particularly in the dairy industry. New Zealand has heavily promoted itself as a producer of clean, green, quality products and, in many cases, it has had the jump on Australia.

However, last year there was the first speed hump, the botulism scare with New Zealand milk. China immediately banned New Zealand milk powders. The businesses are now operating again, but there are still huge ramifications for what is seen as that failure by New Zealand. In fact, French food giant Danone is suing Fonterra for NZ$492 million. The brand and reputational damages that have been done in China are still not fully known, but there is no doubt that brand New Zealand has been damaged with this incident. It just shows how easy it is, with one incident, to lose that hard-won market respect.
We cannot underestimate that sensitivity. The melamine milk scandal in China I spoke about earlier has fuelled the skyrocketing demand for safe food. While we suffer quite a large tariff disadvantage compared to New Zealand, I understand that Australian milk sales to China have lifted since the advent of the New Zealand problem. But expanded sales could not be expected if we were to have a quality problem.

I am Chair of the House of Representatives Standing Committee on Agriculture and Industry. Currently, we are conducting an inquiry on country of origin food labelling. I was looking through some of the testimonies from our witnesses, including a recent one from AUSBUY, in Sydney. I have written to them and asked for further information. They said they had evidence that Australian business had been approached by Chinese interests to bring Chinese produce into Australia, to transform it in some way so it met our labelling standard of 'Made in Australia' and 'Made from local and imported produce'—not with the aim of putting it back on Australian shelves but with the aim of putting it back into China where they could trade on the good name that Australia has. I have asked them to provide further evidence of this. It needs to be more than hearsay. So I am looking forward to how they might come back and provide that evidence. But let me say: if this was happening, this would be one of the greatest threats to Australia's clean, green image overseas— for example, if a product that was substandard or even, in some cases, contaminated and was marketed on Australian shelves, that would be very bad. But if it is marketed in a very sensitive market, such as China or Japan, under a label that says 'Australian made,' which would signify it was of a certain quality and it turned out not to be, the damage that could be done to our export markets in the future would be enormous. As I say, I do not have any better evidence than that at this stage, but I will certainly be following it with great interest.

I want a light touch on regulations. However, we must be able to guarantee Australia's quality and reliable and properly funded services with our inspection and registration schemes. Our very future depends on having an agency which can properly fulfil the functions that are set for it and that is what this legislation seeks to do. It seeks to equitably spread the load across the industry so that we have a well-funded agency. I would like to add my support to the comments of the member for Calare and I think the member for Hunter, who spoke against any suggestion that biosecurity should leave the Department of Agriculture and become part of a new border force, if you like. I would strongly resist it. I think this would be a bad move. The agency that looks after the reputation of Australia, our future biosecurity, must be stand-alone and fully focused on the issue at hand. We cannot run the risk of biosecurity becoming a second, third or fourth priority; it must remain a very high priority. In the end, some of the effects that I have spoken about today actually have great potential to damage Australia's future.

Mr ZAPPIA (Makin) (12:39): I support the amendment to this legislation moved by the member for Hunter earlier. We live in a globalised economy where business ventures and trade flow freely across from one nation to another. Indeed, business looks for growth opportunities across the entire world. Governments promote trade to boost national economies and to ensure there is a balance of trade between their country and others. We are also seeing it through a rush to sign free trade agreements with individual countries, which the member for Grey referred to in his remarks only a few moments ago. Speaking about free trade agreements, I would have thought that it is far better to do things in a uniform way throughout
the world rather than having individual free trade agreements between individual countries as we have had for several years now. As we have seen, every time there is a free trade agreement signed between two countries it disadvantages other countries, as Australia was disadvantaged prior to signing the free trade agreements with Korea and Japan. I would have thought that if we can work through the World Trade Organisation and have some uniform standards across the world it would indeed make a level playing field for all countries, including Australia, on issues of trade.

Trade is important to Australia and very important with respect to our farm products. I am referring to meats, grains, wool, cotton, fruit, vegetables, sugar and so on. Fast transport in recent years has opened up new markets for Australian produce. The ability to get that produce to overseas markets within hours enables you to sell produce that would not normally last very long in terms of its shelf life into markets we were unable to access when we were relying on slow shipping transport methods. As other speakers have quite rightly said, much of the value attached to Australian farm produce is to do with the quality of Australian produce and the confidence of overseas buyers in the way that those products have been produced. They also, understandably, want to know that there are minimal, if any, health risks associated with the products that they import from Australia, just as we want to know what risks are associated with products that we import from other countries.

The fact is that Australia does maintain high standards by comparison with other countries, particularly when it comes to food and farm production. If we are to maintain those standards we have to manage the risks, and that is effectively what this legislation is all about. It is in Australia's interest to manage those risks, firstly because Australia's clean, green image adds value to our products. There is substantial evidence out there that overseas markets are prepared to pay more for the Australian product because they feel confident in it. Secondly, there may be health risks associated with the products that are either exiting or coming into Australia. We saw that in recent years with respect to the threat of bird flu and the costs that our economy sustained as a result of that risk and our efforts to try and manage that risk. It ran into the hundreds of millions of dollars.

Thirdly, if those risks are identified then trade can be shut down. We saw that only recently with respect to beef that was exported to the USSR, some 24,000 tonnes of chilled beef that went there in 2013 worth about $170 million. The trade was shut down because of claims that the product had hormones in it that should not be in there. And when I refer to the export of beef, it was interesting that that happened under the watch of the Abbott government. A trade worth $170 million, 24,000 tonnes per annum of beef, and yet hardly a word said about the shutdown of that market from members opposite. It is very interesting indeed when you compare their reaction to when the trade was shut with Indonesia. There was also a case that went on for nearly 3½ years with respect to kangaroo meat to the USSR also having been banned, again for similar reasons. I can recall a processor of kangaroo meat coming to see me at the time to see if I could speak with our trade minister and reopen the doors for the export of that product, because his future and his business depended entirely on it. With that went the jobs of the people that he employed. I understand that as a result of that risk 11 out of the 14 processing plants of kangaroo meat indeed closed. Those are the kinds of risks that are attached to products being affected in one way or another through disease or similar.
Fourthly, if a disease or pest does enter Australia, not only do the products lose value but there is an enormous cost in managing the disease or pest thereafter. Again I refer to the equine influenza outbreak in this country in 2007, where the costs of trying to manage the outbreak ran into tens of millions of dollars. Perhaps the most important concern is that once diseases or pests enter Australia quite often you can never eradicate them. That has been the case with so many of the diseases and pests that have come into this country. When that happens there is an ongoing cost to our farm producers in trying to manage the disease, and it means the use of more chemicals. Chemicals cost money and their use has associated health risks. So it becomes a major problem.

Managing our biosecurity risks does come at a cost. The inspection services provided by AQIS and others have to be paid for by someone. This legislation is about trying to recover those costs from the producers of the products. The services apply to inspections of both outgoing and incoming food and farm products. I would personally be very keen to know what proportion of the fees charged and generated by AQIS come from exports as opposed to imports. It seems to me that exporters may be paying a disproportionate level of those fees, possibly more than importers are paying.

My understanding is that exporters have all of their products inspected and certified for export, whilst imported products are subjected to random testing only. I stand to be corrected on that, but that is my understanding. Those costs are indeed high. I spoke in this place only weeks ago about how those costs have risen in recent years from several hundred dollars a week to several thousand dollars a week, from a small amount per day to something like $1,000 a day for export businesses, particularly those in the fruit and vegetable industries. I have spoken to some of those exporters personally and they have confirmed with me that those costs are real and that those costs are impacting on their viability and on their competitiveness with other nations. Other countries around the world can be competing with you for export markets, and I do not know whether those other countries impose the same level of costs on their growers and suppliers. If they do not, that clearly puts Australian growers at a disadvantage. Again, the advantage they have is that people have some confidence in the Australian product and hopefully might still choose the Australian product, even though it comes at a higher cost. That is a matter that we need to think carefully about, particularly as we try to enter into new markets as a result of the free trade agreements that we keep pushing forward.

I want to talk about another matter with respect to cost recovery, because cost recovery should be exactly that—cost recovery, not making a profit out of the service and charging excessive or unnecessary fees. Not long ago I visited the facilities of a food producer in Adelaide who makes food for both the Australian market and the export market. The food produced for the Australian market and the food produced for the export market is all produced on the same premises, using the same equipment, by the same workers. The only difference is that the export product is packaged for export.

The food producer is subjected to state health department inspections in order to ensure that the production complies with state health regulations. It would seem to me that if the food complies with all of the Australian state health department regulations and is fit for consumption in Australia then it should be fit for consumption elsewhere. Yet, because the food is going to be exported, this manufacturer has to then get a second clearance for the food...
from AQIS. So effectively the inspection service carried out by the state department is
duplicated by the federal department in order for the producer to get an export certificate to
export the food. It would seem to me that that is unnecessary and that there ought to be a level
of cooperation between federal and state departments that are essentially providing the same
service. If there were, it would mean that this producer could produce and market his products
at a lower price or, alternatively, might be able to make more profit, and that in turn would
allow him to grow his business and employ more people.

It is these kinds of issues that we should bear in mind with this legislation. Whilst I accept
that the inspection services need to be paid for and that they do come at a cost, the
government departments and the ministers responsible should also be mindful that the fees do
impose additional costs to the manufacturer of products or to the growers of farm produce—
costs not only in terms of what they are billed for but also in terms of being time-consuming
processes for the producers. Quite often the paperwork associated with exported food and the
processes that producers have to go through are time-consuming to the point where it adds to
the cost of the production.

With those concerns, I come back to the original point of this legislation, and that is to
recover the costs associated with inspection services. I think that is fair and reasonable, but I
would certainly hope that the minister would take on board the concerns I have raised and the
corns the shadow minister has raised with respect to the mat
ners outlined in the
amendment.

Dr STONE (Murray) (12:52): I too rise to participate in this debate on a most important
matter, especially if you represent regional Australia and in an electorate dependent on
exports. Across Australia, we export about 55 per cent of all of our farm production. That
includes 75 per cent of our fish products, 60 per cent of our forest products, most of our
cereals and a significant proportion of our dairy powders, cheeses and drinking milks. In fact,
it has long been known that the biggest export out of Geelong port is dairy milk powders.

We have new exports emerging which are going to be increasingly valuable, especially if
we get the quarantine services and marketing right. They are the standardbred horses and
breeding materials that are now being exported as part of the racing industry, with bright new
prospects in the rapidly evolving Chinese market. I am particularly interested in the exporting
of horses and their breeding material for the racing industry because much of that industry is
based in my electorate—at Echuca, Avenel, Shepparton and Nagambie—and it is brilliant
country for raising some of the fastest horses, we argue, in the world.

All of these exports are dependent on Australia retaining its reputation for exporting
products and services which meet importer standards and, we would argue, go beyond the
minimum importer standards. We know that our country-of-origin labelling—‘made in
Australia’, ‘produced in Australia’, ‘grown in Australia’—carries with it at the moment, in the
mind of the consumer and in the mind of importers in other countries, values which include
fresh, chemical free, uncontaminated and true to specification, and we can sometimes charge
a premium for our foods with those particular characteristics.

We know of the terrible concern in China when they discovered that their imported infant
formula and some of their domestically manufactured infant formula was poisoning and
killing their babies. There are food scares regularly reported globally, whether it is the
horsemeat contamination of beef throughout Europe or the most recent one, today, where pig
DNA has been found in chocolates in Malaysia, where the chocolates were claimed to be halal. There is an extraordinary range of food contamination that goes on globally, whether it is because of poor hygiene or it is the unintended consequence of countries’ inspection services not being adequate or there is not a culture of clean, green food production like we have and nurture in Australia.

Long ago, the principle of full cost recovery for our export inspections was debated and agreed to. There are some who still argue—and I am sometimes with those people—that, like some of our key competitors who also charge for export inspection services, those fees should find their way back into the industries in research and development and other supports. But we are not debating the issue of full cost recovery today; we are looking at the current legislation governing the charging of export inspection services. The legislation has for some time included technical defects and they have not always been equitable in the way that the fees have been allocated across exporting industries or sectors. Some producers have not been required to pay establishment registration charges for plant products like cut flowers, dried fruits, nursery stock, nuts, seeds, timber products and some tissue cultures.

The Export Legislation Amendment Bill 2014 and the cluster of related bills are not supposed to impose any extra charges at all but rather to bring everyone into the same net of paying for export inspection services or registrations. In particular, smaller exporters will now also be required to meet some of the full cost recovery. There are 676 establishments with export fruits, grains and vegetables now paying registration fees, but there are another 269 exporters who have not been charged those fees. The current registration costs in horticulture vary from $2,844 or so to over $8,500. So, as you can see, these are not insubstantial registration costs, but some have been applied to some businesses and not to others. Clearly, that is inequitable.

Currently, the Department of Agriculture cannot charge for the quota certificates an exporter must obtain to take their product into some markets which have strictly enforced quotas. This will be corrected through the amendments contained in these bills. I do not think many people would argue with establishing equity across export services. But what we do have to watch is that, in arguing for and imposing full cost recovery, we do that in a way that we all agree is appropriate and that is not in any way inflated to cover other costs for the department. We have a set of principles that were agreed as appropriate for applying full cost recovery, including key principle 3:

Any charges should reflect the costs of providing the product or service and should generally be imposed on a fee-for-service basis or, where efficient, as a levy.

Key principle 6 states:
Where possible, cost recovery should be undertaken on an activity (or activity group) basis rather than across the agency as a whole. Cost recovery targets on an agency-wide basis are to be discontinued.

Key principle 10 states:
Agencies with significant cost recovery arrangements should ensure that they undertake appropriate stakeholder consultation, including with relevant departments.
That is to ground-proof their estimations. Key principle 12 states:
Agencies are to review all significant cost recovery arrangements periodically, but no less frequently than every five years.
These principles are in the *Australian government cost recovery guidelines* of July 2005. So we have the guidelines and we have the principles, but there is a lot of argument about how much is being attributed to a full cost recovery charge, and I think that is a debate that we need to look at very carefully, because it is all about competition.

We know that it costs substantially less in New Zealand for these fees and services. Recently I have had my attention drawn particularly to the concerns of Harness Racing Australia. Obviously New Zealand is our close competitor in terms of providing standardbreds and breeding material into the international market. Harness Racing Australia is the peak national body for the sport and business of harness racing across Australia. It represents more than 48,400 individuals involved in the process of producing and preparing standard-breds for racing in Australia and they directly spend more than $511 million annually, 64 per cent in regional Australia. As I mentioned before, there are some superb establishments in the Echuca, Shepparton and Avenel areas, as well as in Cowra, Bathurst and Wagga Wagga in New South Wales. We are very jealous of our reputation of producing superb standardbreds for racing in Australia and, increasingly, in international venues.

In their submission to the department on the Live Animal Export Draft Cost Recovery Impact Statement, the HRA has made some very compelling points. They pointed out that the impact of the proposed and unexpected export fee increases was enough to cause reconsideration of many industry breeding practices, in particular moving some operations offshore to New Zealand, where the cost of doing the same business is less, therefore making them much more competitive. That has impacts on employment and direct spending by Australians on this industry locally.

There are concerns about the lack of transparency, reasonable time lines and the flawed consultation and representation of the equine sector in developing the draft cost recovery impact statement. In fact they drew my attention to the principles that have been developed for full cost recovery. A long-term review is proposed for 2014-15 to look at these principles and consider the cost-based fees and charging mechanisms for each of the industry sectors. They are concerned that the introduction of the new fees is very precipitous and they will not have time to adjust.

They are particularly concerned about the quantum of the fee increases proposed on 1 July this year for both live horses and the undefined amount for reproductive horse materials, particularly as it threatens our international competitiveness with our near neighbour just as we see new trade opportunities with China developing in the horseracing industry. They argue that horse exports, particularly live horse exports, are different from sheep and cattle, because there may be multiple exit and entry situations. Fees are imposed each time and each way so there are both import and export fees when you send your horse out to race and you bring that horse back to retrain, ideally to race again. So we need to take into account the special circumstances of some parts of our live animal export industry.

We also have to make sure that our other export industries are not hit with such high additional costs or new fees that would make it more difficult for a new entrant to establish in the export market. I draw attention to one of my local abattoirs, Ryans at Nathalia. They are a tier 1 processor and they can export to 25 countries without export inspection. They operate on Australian standards and they process about 300,000 lambs a year. If they went to tier 2, they would have to pay around $200,000 per annum. They are a very small abattoir, one that
just survived when totally inundated by the floods in 2012. They have only just recovered, so you can understand that they are very concerned. They would like to go to tier 2 as an exporter but the cost of $200,000 per annum in those new export inspection charges makes them think twice about being able to expand. That is a real concern.

There is also the piggery industry. I have some of the biggest piggeries in Australia in my electorate and I am regularly in contact with them, of course. They talk about how there does not always seem to be a sense of national interest with the inspection services provided. They talk about the gouging of carcasses when samples are taken for inspection where a small incision or slice would do without seriously devaluing the carcass as a chunk is removed as the carcass speeds by on the assembly line. They wonder why there is not more care taken to protect the value of the carcass and, indeed, the value of the export, when a little more care, attention and empathy for the viability of the industry is so needed. We have to make sure that the people who are doing these inspection services do have the national interest at heart. They are paid by the hour so it is not a case of having to rush to do the job. The abattoir would prefer that a better job be done. I have been told that you can have a loss of up to $40 per carcass due to the injudicious use of a sampling knife. I want to stress the importance of employing the right people to do these inspection jobs, not somebody who could not care at all or who sees the producer as 'the enemy'.

We also have another industry in my part of the world—the fruit growing industry—and I have some key domestic suppliers. Over 90 per cent of the kiwifruit grown in Australia is from the Goulburn Valley. The vast majority of pears are grown in the Goulburn Valley. One of my big exporters talks about the cost of their having to get their product out of the country. They say that unless they have 20 containers being exported at a time it really does not cover their costs for the inspection fees and services. Now 20 containers at some times of the year is not possible or a sustainable number of containers to be sent out of the country.

We have got to make sure that we continue to do a stunning job in our quarantine inspection services, or our customs inspection services. While we have had some hiccups referred to by the previous speaker with kangaroo meat substitutions—and I am sometimes quite sure, false allegations of growth hormones or other substances being found in product—mostly we have an enviable reputation in terms of our true-to-specification products being sold overseas. This is borne out by the numbers of investors from Singapore, China and Malaysia now trying to buy properties in Australia to take advantage of our superb production systems and inspection services.

But we have got to make sure that the full cost recovery system does not become injudiciously calculated; that we have a very efficient and effective, well-trained and empathetic inspection service; and that our exporters are supported in what they do by our government agencies—and that they are not seen as the enemy. Therefore I commend this bill to the House in its original form. I believe that our exports in the food sector in particular are going to be the replacement for the mining boom in the future, but only if we get it all right and that includes having appropriate inspection services at the border.

Mr McCormack (Riverina—Parliamentary Secretary to the Minister for Finance) (13:07): I rise to sum up on the Export Legislation Amendment Bill 2014, the Export Inspection (Quantity Charge) Amendment Bill 2014, the Export Inspection (Service Charge)
Amendment Bill 2014 and the Export Inspection (Establishment Registration Charges) Amendment Bill 2014.

Australian farmers are world leaders in producing efficient, sustainable and high-quality produce to meet demand both here and abroad. Australia exports around 65 per cent of its farm products, 75 per cent of its fish products and 60 per cent of its forest products, worth more than $41 billion in 2012-13.

I might take a moment to speak on the shadow agricultural minister's amendment. The government is eager to ensure that Australia has the most rigorous and robust biosecurity system possible. The coalition has noted the previous government's attempts to introduce the biosecurity bill and its subsequent referral to the Senate inquiry for scrutiny. Many submissions were made to that inquiry, which highlighted certain deficiencies in the legislation that the government believes need to be addressed before reintroduction. The government is certainly continuing the development of the biosecurity bill with a view to reintroducing it once the concerns held by relevant stakeholders and industry have been addressed.

Agricultural exports are the lifeblood of my Riverina electorate. There is not much we do not grow in the Riverina, from wheat and apples to wine and alpacas, and just about everything in between. The area around Griffith in my electorate in the Western Riverina grows three-quarters of the wine grapes grown in New South Wales, which generates around $800 million each year in wine exports.

I know that the member for Murray, the member for Grey and the member for Calare feel similarly strongly about the importance of agriculture in their electorates, and I thank them for their contributions in this debate. It is always a pleasure to hear those opposite take an interest in Australian agriculture, and I acknowledge the contribution to the debate made by the member for Hunter, who is, of course, the shadow minister for agriculture. I thank as well the members for Hotham and Makin.

The legislation which underpins Australian agricultural exports is being amended to place it on a more sustainable footing. The bill package amends the Export Inspection and Meat Charges Collection Act 1985, the Export Inspection (Quantity Charge) Act 1985, the Export Inspection (Service Charge) Act 1985 and the Export Inspection (Establishment Registration Charges) Act 1985 to remedy technical defects in these acts and to allow more consistent and equitable cost-recovery for services provided to exporters by the department.

Inconsistent definitions in these acts have meant that the department has been unable to recover establishment registration and quantity charges for exporting certain products. If you receive a service, you should pay for it. Allowing some exporters a free ride is inequitable and not in the long-term interests of the agriculture sector as a whole. These amendments will address the inconsistencies identified and enable the department to recover around $1.9 million per annum in a manner which is equitable and consistent across the whole of the primary production export system.

The bill package also amends the Australian Meat and Livestock Industry Act 1997 to enable the department to recover costs relating to services, such as issuing quota certificates for quotas that are administered by other countries. These amendments are largely supported by industry, who believe that costs for export services carried out by the department be
appropriately and consistently recovered. Cost-recovery also plays a role in keeping government agencies accountable for their performance. If you pay for a service, you generally care more about the service that you are getting.

The bill package also corrects errors in the Export Control Act 1982 and the Imported Food Control Act 1992. The bills are an important piece of legislation which not only provide a fairer and more consistent approach to cost-recovery for services provided to exporters but will also provide departmental officers greater access to important documents and information in a timely manner, making it easier for them to perform the important role of protecting Australia’s biosecurity—and we know how important that is. Maintaining a strong and reputable biosecurity system is vitally important if we are to protect Australia’s unique animal and plant health status, as we have just heard from the member for Murray.

Australia is free from many of the pests and diseases found in other parts of the world, and this is a significant and selling point for our produce in overseas markets. That is why we are going ahead with the construction of a new post-entry quarantine facility at Mickleham in Melbourne. This new, modern facility will enhance our capacity to manage the risks posed by ever-increasing amounts of new plant and animal material coming into Australia. It will replace a range of outdated facilities that are no longer fit for purpose. I was very pleased to join the Minister for Agriculture, Barnaby Joyce, at the sod turning at that post-entry quarantine facility in Victoria recently.

Last night the House passed legislation to remove red tape around the use of agvet chemicals, which will implement an important election commitment to remove the reapproval and re-registration scheme introduced by Labor. The government is cutting red tape to the agricultural sector and investing in the biosecurity infrastructure, and with these amendments we are ensuring the future integrity and sustainability of the biosecurity system which helps keep Australian food, fibre and meat production safe and clean.

The DEPUTY SPEAKER (Mr Broadbent): The question is that the amendment be agreed to.

Question negatived.

The DEPUTY SPEAKER: The question now is that the bill be read a second time.

Bill read a second time.

Third Reading

Mr McCormack (Riverina—Parliamentary Secretary to the Minister for Finance) (13:13): by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

Export Inspection (Quantity Charge) Amendment Bill 2014

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Question agreed to.
Bill read a second time.

Third Reading

Mr McCORMACK (Riverina—Parliamentary Secretary to the Minister for Finance) (13:15): by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

Export Inspection (Service Charge) Amendment Bill 2014

Second Reading

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

Third Reading

Mr McCORMACK (Riverina—Parliamentary Secretary to the Minister for Finance) (13:16): by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

Export Inspection (Establishment Registration Charges) Amendment Bill 2014

Second Reading

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

Third Reading

Mr McCORMACK (Riverina—Parliamentary Secretary to the Minister for Finance) (13:17): by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

Environment Protection and Biodiversity Conservation Amendment (Cost Recovery) Bill 2014

Second Reading

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

CHAMBER
Mr BUTLER (Port Adelaide) (13:17): I rise to speak on the Environment Protection and Biodiversity Conservation Amendment (Cost Recovery) Bill 2014. This bill seeks to introduce cost recovery arrangements to applications under the EPBC Act in accordance with the well-established cost recovery guidelines which operate in a range of other areas—in my experience, they operate quite effectively in the area of health regulation. Fees will be set up and published in the usual way in accordance with those guidelines that have been in place for almost two decades now—namely, by regulation.

I note that the minister in his second reading speech assured the parliament that exemptions would be granted for applications under the EPBC Act that would be delivering public benefit, as opposed to a more private benefit for a particular corporation seeking a development. The minister in that second reading speech gave the example of a local council making an application under the EPBC Act for approval to undertake burning-off. That, if I might say so, is an important assurance that the minister gave to the parliament.

The minister presents this bill as part of his overall intention to hand over his responsibilities or, more broadly, Commonwealth responsibilities to protect matters of national environmental significance under this piece of legislation to state governments and, as we have more recently discovered, in some cases to local councils as well. It is important that I emphasise that our attitude to this bill is very separate from our overall attitude to those ministerial intentions—namely, to hand over the broad responsibilities under the act. In order to allow for debate and make clear those delineations, I move as a second reading amendment:

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 notes:

(1) the Government's poor environmental record;
(2) the importance of protecting Australia's rich and diverse environment;
(3) the need to fully examine the range of changes proposed to the Environment Protection and Biodiversity Conservation Act since September 2013; and
(4) the lack of assurance from the Government about the future management and protection of our natural environment."

In eight short months since the election of this government it has shown itself to have scant regard indeed for its responsibilities to protect and to nurture Australia's environment, particularly to deal with matters of national environmental significance. In February 2014 The Independent newspaper in the UK—not a Left-wing newspaper, not The Guardian, and not one of the newspapers traditionally associated in the UK with the Left, but a more centrist newspaper—posed the question: 'Is Tony Abbott's Australian administration the most hostile to his nation's environment in history?' That question is on the lips of many, many Australians who care for our unique and extraordinary environment on the Australian continent. The list of environmental atrocities already committed by this government in eight short months is a very long one. The minister's record is one almost exclusively of removing environmental protections rather than nurturing them, expanding them, making sure they are doing the job they were intended to do. I will just give a few short examples.

The disallowance of the endangered community listing of the Murray River below the Darling Junction, which I know is a matter of great interest to the member for Barker who is
in the chamber here, was done after literally years of work by the Threatened Species Scientific Committee. I know you want to move to your chair so you can interject, Member for Barker, which is why I gave you that opportunity.

Mr Pasin interjecting—

Mr BUTLER: It is a pathetic concession to nothing more than a scare campaign. They are undoing the management plans for the world’s largest marine reserve system—again, off the back of a mendacious scare campaign by those opposite which sought to frighten recreational fishers from Queensland, for example, about the impact of reserves that were literally hundreds of kilometres offshore in that state of Australia.

This government and this minister have turned back literally decades of bipartisan support for the Commonwealth’s particular and special role in protecting matters of national environmental significance—a role that harks right back to the Franklin dam campaign and the decision of the High Court that followed. The intention to hand over those approval powers rests on a misapprehension, nurtured by this minister, that approvals by the Commonwealth are a drag on the time and resources of companies seeking to undertake particular developments impacted by this legislation. Everyone who has participated in this process in one way or another knows it is the assessment process that takes time and energy. We were working with state governments over the course of 2012-2013 to achieve two things: that instead of two environmental impact assessments there could be just one, which could happen by way of a bilateral assessment agreement with the states; and that there could be just one public consultation process rather than two.

This is not a party political point that I make; I have made it in my own state of South Australia where the state Labor government has decided to agree to take on the Commonwealth’s responsibilities under the EPBC Act. This is not a Labor or a Liberal question. Our party holds, as a point of principle, that the Commonwealth should retain responsibility for matters of national environmental significance.

But perhaps there is no more striking example of the national government's responsibility, and the degree to which that has been neglected by this minister in eight short months, than the responsibility for our World Heritage areas. Australia is moving into refined company indeed. We are only the third country, in the more than 40-year history of the World Heritage system, to seek to delist a World Heritage property within its jurisdiction, following decisions taken by Tanzania and Oman. Members in this House would be familiar with the application to delist 74,000 hectares of wilderness in the Tasmanian World Heritage area—a listing which, as part of the Tasmanian forestry agreement, ended 30 years of ongoing conflict between conservationists, industry, workers and, more broadly, families and communities on the island of Tasmania. I note that the World Heritage committee secretariat, in its draft report, has given this government short shrift indeed about this misconceived application.

Last but not least, this minister has been asleep at the wheel in relation to Australia’s most iconic environmental asset, the Great Barrier Reef—one of the seven natural wonders of the world. If members of the House read the draft report the World Heritage Committee issued some weeks ago they will see that the World Heritage Committee has very great concerns about this government’s—and, for that matter, the Queensland government’s—management of that environmental asset, which is in crisis. Three issues were raised by the World Heritage Committee in their draft report that give the committee concern about the status of the reef:
firstly, the decision to approve dredging, and the dumping of dredged material, in the Marine Park area at Abbot Point; secondly, the delegation of approval powers from the Commonwealth to the states and territories; and thirdly, the reversal of very significant land-clearing laws put in place by the Beattie government—perhaps the most significant environmental decision in recent memory. To halt the extraordinary land clearing that was under way in the last several decades was a very significant decision—but it has been reversed by the Newman government.

This minister not only seems disinterested in taking action to protect the environment but, as part of a broader theme of this government, this minister is very keen to tie the hands of local communities that would seek to voice their views about their local environment through the Environmental Defenders Office. The EDOs have been in operation for more than 20 years, supported throughout the duration of the Howard government with Commonwealth funding but cut off at the knees only weeks after the election of this government. It was a blatant, transparent decision to cut down strong independent local voices from local communities. All of this was done without addressing this government's hopeless lack of commitment to tackling climate change.

But having said that, and in the spirit of bipartisanship, I indicate that the opposition will support this bill. The cost-recovery guidelines are well-established. They have worked well for many years, including the last six years in which the Labor Party was in government. They defray taxpayer costs that are ultimately picked up by the Commonwealth for approvals made in relation to an application or development ambition that a private company may have and, for that reason, are supported in principle by the Labor Party. But I say again, at the risk of repetition: we took particular note of the minister's assurance around exemptions for applications involving a public benefit so that organisations seeking approvals for public, rather than private or commercial, benefit would not have to pay the fees that will be issued under this legislation. On that basis, as I indicated, we will support this legislation.

**The DEPUTY SPEAKER:** Is the amendment seconded?

**Ms MACKLIN** (Jagajaga) (13:29): I second the amendment and reserve my right to speak.

**The DEPUTY SPEAKER (Hon. BC Scott):** Order! It being almost 1.30 pm I will interrupt the debate in accordance with standing order 43. The debate will be resumed at a later hour and the member will have leave to continue her remarks when the debate is resumed.

**STATEMENTS BY MEMBERS**

**Racial Discrimination Act 1975**

**Ms RYAN** (Lalor—Opposition Whip) (13:29): I rise today to laud the work of our community leaders in defending the Racial Discrimination Act and to join them again to call on this government to step back from the precipice, to step up and say they will make no changes. After a lifetime of work in schools I can tell you that this legislation makes a difference on the ground in our communities. It sets a high standard for all Australians in their dealings with one another, not least of which children and young adults.

I have worked in schools with quickly changing demographics at the pointy end of developing harmonious multicultural classrooms and school grounds, for the most part with
adolescents. This legislation has been a touchstone in that work. When mediating between adolescents working their way through racial tensions it has been a godsend. It says clearly that racism is against the law in this country and, in my experience, kids respect that.

The community groundswell to maintain section 18C has been affirming; the impetus to repeal section 18C, though, unedifying. When I saw the footage of the Attorney-General saying everyone has the right to be a bigot I was gobsmacked. I was hurtled back to my classroom full of adolescents saying similarly thoughtless things. I understand though that adolescents are a work in progress, not so this supposedly grown-up government.

**South Australian Minister for Agriculture, Food and Fisheries**

Mr PASIN (Barker) (13:30): It is a shame that the member for Port Adelaide has left the chamber because I want to talk about his very good friend the member for Mawson, Leon Bignell, who is also supposedly the South Australian Minister for Agriculture, Food and Fisheries. He has been in that role since 26 March this year. Minister Bignell has now shown himself to be South Australia's first ever minister for no agriculture, minister for no fisheries and minister for no forests. Why would I make these outlandish claims? Firstly, we have a minister in South Australia for agriculture who is campaigning actively against GM foods. He denies that he was attending a protest rally: 'It was not a protest but rather a celebration of the state-wide ban.' He should listen to the Chief Executive at GPSA, Darren Arney. Farmers want that technology.

That deals with agriculture, but what about fisheries? He remains committed to marine parks, despite there being no evidence for their support. This will decimate rock lobster fisheries in particular. Moreover, today there has been a decision to cut 60 jobs from ForestrySA in my home town. It is being sold—a gold medal for spin—with 'no forced redundancies at ForestrySA'. As if we should be thankful for that! My call to the so-called minister for agriculture, fisheries and forestry in South Australia is to resign and do it today.

**Indi Electorate: Koori First Steps Preschool**

Ms McGOWAN (Indi) (13:32): On Monday, 20 May I had the pleasure of visiting the Koori First Steps Preschool in Wodonga, a preschool for Aboriginal and Torres Strait Islander four-year-olds run by the Mungabareena Aboriginal Corporation. The Koori first steps program develops in Aboriginal children and their families a sense of personal worth through acceptance and appreciation of their specific cultural identity. I arrived early to greet the kids as they hopped off the bus that brings them to the preschool. This bus ensures that all children can attend preschool and provides an important link between the program and their families.

The director, Julie Ramm, talked with pride about the newly renovated playground area as we watched with delight young Justin, a very friendly, outgoing boy, teach me how to build a castle in the sandbox. Julie also spoke of the ongoing need for further renovations and the need for more books for the children so they can take them home at night to read to their families.

Congratulations go to Julie and her team for their hard work and dedication to the Koori first steps program. It provides a vital tailored service for the Aboriginal community in Albury and specifically Wodonga, ensuring these four-year-olds have the best start in education whilst building knowledge and pride in their Aboriginal cultural identity. I am very proud to represent my Aboriginal and Torres Strait Islander constituents, who have shown...
such innovation and leadership in developing this program. In closing, I encourage all of my colleagues to get involved in National Reconciliation Week and take part in Australia's reconciliation journey.

**National Volunteer Week**

Ms SUDMALIS (Gilmore) (13:33): Recently we celebrated Volunteer Week. In Gilmore we have hundreds of volunteer organisations. They are the mainstay of our community. Our State Emergency Service, Rural Fire Service, Marine Rescue, St John Ambulance and Surf Life Saving are well represented and do a magnificent job.

In the last major Gilmore bushfires it was an absolute honour to work alongside the catering brigade, preparing food for the firefighters. These girls stand for hours cutting, chopping and stirring. They are all grandmothers. What a crew under the leadership of Donna and Ingrid!

Many of our local festivals and sporting carnivals simply would not happen if St John volunteers were absent. We could not swim at our beaches without the patrols of the Surf Life Saving clubs. We have groups likes Zonta, Lions and Rotary giving their time for fundraising, making birth kits and assisting local disability schools. We have several hospital auxiliaries, CWAs and VIEW Clubs. They are all volunteers setting goals and achieving them for their community. We have volunteers like Jenny Baker running Australia's Biggest Morning Tea from her home. Others like Denyse Davey are pivotal in breast cancer support. Some work with children, helping Andrew and Rebecca at the PCYC, or assist with school breakfast programs.

At the Bomaderry Uniting Church, the Nowra Family Support Service coordinates learning and reading activities with volunteers. They recently held a families week celebration with a sausage sizzle, companion sheep that were brought by Michael and Robyn, and their federal member face painting the children. I express the community's deep gratitude and thank each and every Gilmore volunteer for their amazing efforts.

**Parliament House: Security**

Mr DANBY (Melbourne Ports) (13:35): I rise today to object to the proposal that access to Parliament House should operate under a discretionary security system. Decisions regarding security at the entry ways of Parliament House should not be left to the attendants, however competent, nor should we assume that MPs' family members, staff of parliamentarians or departmental employees and their luggage do not pose potential security risks. It is unfair that these entry way decisions that affect everyone's security be made by Parliament House attendants, who are being forced to do this by instructions based on narrow budgetary considerations.

For reasons of both security and equality, every person entering Parliament House should be screened, including members of parliament. Every person and material they bring in must be cleared in an appropriate and secure manner, including being subjected to metal detectors, X-rays and other appropriate security protocols. Without these the number of people who are currently exempted from security screenings will continue to be free to bring in weapons and materials that could be used to create weapons, as was demonstrated by Senator Heffernan. It is irresponsible to leave the house unprotected and vulnerable.
I am not calling for privileged or upgraded security for this building, just that the existing pattern of security remain. We should all—whether we are MPs, senators, family members, journalists or in the remaining categories of staff, even security attendees—go through the same security check. This decision is disconnected from events in the world and I believe jeopardises all of our security in this building.

**Balkan Peninsula Floods**

**Mr CRAIG KELLY** (Hughes) (13:37): I would like to inform the House of a flood fundraising appeal for the Serbian community following the recent devastating floods in Serbia. This will take place on Sunday, 1 June from 1 pm at the Serbian Cultural Club in Middleton Grange. These recent floods in Serbia have been some of the worst on record; they have seen three months’ worth of rain fall in just three days. Many lives have been lost, not only in Serbia but also across the region in Bosnia and Croatia. As I speak, rescue efforts continue in that devastating flood where more than 50 people have been killed and more than two million people affected.

But there is an upside in this disaster. I would like to quote the comments of Bosnia's first ambassador to the United Nations, Muhamed Sacirbey:

What I'd really like to highlight is how the people of the region have been good neighbors to each other. That is one of the great mercies coming out of this terrible disaster. It's more than a silver lining—I'm of a generation of people who are remembered for the war. Hopefully the people here will be [remembered] for a disaster in which they helped each other.

**Racial Discrimination Act 1975**

**Mr STEPHEN JONES** (Throsby) (13:38): Contrary to what the Attorney-General, George Brandis, believes, Labor believes Australians have the right to live free from bigotry. When Australia ditched the White Australia policy and gave the First Australians the right to vote, we turned the corner on government-backed racism. As the first law officer, the Attorney-General should be the first line of defence against this behaviour. He should not be the person who gives solace and comfort to those who urge hate speech. What is worse, the changes proposed are not supported by any evidence.

I am not alone in the House today in saying that I believe in these things. I know the member for Cunningham shares these views. Together we hosted a community forum on the issue. The response was uniform: the community believes these proposals stink. Not one person had any good words to say about the change. It is time for the Prime Minister to step in, put George Brandis back in his box. He should do it because it is the right thing to do, but he should also do it because it is now interfering with something that enjoys support across the chamber—that is, the proposed referendum to recognise our First Australians in our Constitution. It falls to the Prime Minister to become a champion of the Racial Discrimination Act, one of our country's proudest achievements, and confirm our pride in being a multicultural society.

**Budget**

**Mrs PRENTICE** (Ryan) (13:40): I rise today to commend the government for its initiative to invest in the world's largest medical research endowment fund—a $20 billion fund that will increase and secure medical research funding for decades to come.
We recognise that Australia is facing an ageing population, where between 2010 and 2050 the number of people aged 65 to 84 is expected to more than double, and those aged 85 and over are expected to more than quadruple. As Benjamin Franklin's age-old axiom goes, 'An ounce of prevention 'is worth a pound of cure'. While this probably needs to be updated to metric measurements, the meaning remains as true today as it did in the 18th century. This is exactly what the coalition government is doing. The $1 billion annual distribution of the fund for medical research will mean that we can develop more efficient, cost-effective or even entirely new treatments and cures for diseases, ensuring that Australians continue to enjoy a world-class health system into the future. This endowment fund will ensure world-class medical research is done for Australians by Australians for years to come, safeguarding Australia from a brain drain of medical researchers. I am excited by the potential of this new fund and what it means for medical research in Australia. Who knows, this fund could mean the cure for Alzheimer's—or even cancer.

Racial Discrimination Act 1975

Ms BRODTMANN (Canberra) (13:41): Today I join my colleagues to call on the Abbott government to rule out any further attempts to water down protections against racism in section 18C of the Racial Discrimination Act.

I worked in the Attorney-General's Department when these protections were first put in place some 20 years ago, and I was involved in the community consultation prior to their introduction. This was an incredibly extensive nationwide consultation conducted over several months that involved traveling all over Australia to speak to communities about how these protections would affect them. This year the Abbott government sought to remove these protections and only allowed five weeks for community consultation, compared to the months in the early nineties.

I wonder if the government thought they could limit the fallout by limiting the consultation. Well they have not. The Australian community has made its voice heard loud and clear: Australians unanimously oppose these retrograde changes. The protections under 18C have served our country well for nearly 20 years, and must continue to protect our citizens against racial hate speech. Labor has joined with thousands of Australians, community groups and experts in vigorously opposing the government's attempt to give a green light to racism. I would like to take this opportunity to thank the many Canberrans who have contacted me about this issue in recent months, who have attended community forums, signed petitions and written submissions. Your concerns have not fallen on deaf ears: the whole country, including Labor, are united in opposition to these changes.

Bass Electorate: North Bank

Mr NIKOLIC (Bass) (13:42): In July this year a major redevelopment of Launceston's North Bank will begin thanks to funding from this government. As promised during the 2013 election, the coalition will provide $6 million towards the completion of this dynamic project. Once an industrial area that was home to wool, timber and grain businesses, North Bank has suffered from neglect as commercial river traffic on the Tamar River, into which the North Esk River runs, has declined.

There are some exciting ideas proposed for the redevelopment: the old wool store buildings will become a community events precinct, an urban green and regional playground is
proposed, the existing foreshore boardwalk will be extended, and a pedestrian-cycle bridge will link the new development to Launceston’s seaport. North Bank’s foreshore will be converted into beautiful and useable parklands, incorporating unique Tasmanian native vegetation. When added to other private enterprise projects on the riverfront, local people, businesses and tourists will have even more reason to make northern Tasmania a preferred destination. These include Errol Stewart’s conversion of iconic grain silos that dominate river views on North Bank into a five-star hotel. Joe Chromy has commenced a project to revitalise the Penny Royal site. The North Bank redevelopment and surrounding projects will provide a real and much-needed boost to northern Tasmania.

Racial Discrimination Act 1975

Mr PERRETT (Moreton) (13:37): Last night I attended the Muslims Australia 50th anniversary dinner in the Great Hall and heard a great speech by Leader of the Opposition, Bill Shorten. What united nearly everybody there, particularly the Queenslanders, when I spoke to them, was the horrific changes proposed by this coalition government to section 18C of the Racial Discrimination Act, a piece of legislation that has served this multicultural nation so well for 40-odd years.

Person after person, whether they were from Queensland or other parts of Australia, spoke to me about the weakening of protections against hate speech and how it is such a backward step for this nation. Twenty-four Islamic organisations in my home state united to produce a group submission outlining their concerns about the changes. This submission represented a great diversity of views from the Australian community. They are concerned that these changes flagged by the Attorney-General would send the wrong message: to offenders, that hate speech is more acceptable in our society, opening the door to more abuse; and to victims, that their right to live free from racial or religious vilification, abuse and intolerance would be diminished. I am especially aware of how this would impact on school students in my electorate, if we give bigots the right to say these things. Obviously, freedom of speech is a very important right, but it is not an absolute right and should not be abused or misused.

Dobell Electorate: Work for the Dole

Mrs McNAMARA (Dobell) (13:45): I welcome the news that phase 1 of Work for the Dole will be implemented in my electorate of Dobell. Unfortunately, Dobell has one of the highest youth unemployment rates in Australia. As the member for Dobell, I have been lobbying Assistant Minister for Employment, Luke Hartsuyker, for many months now to see this program implemented in my electorate.

For a long time, even prior to entering into politics, I have been a strong advocate for opportunities for young people to access employment. Under this program 18- to 30-year-olds who have been unemployed for over 12 months and receiving Newstart or youth allowance (other) are required to participate in Work for the Dole commencing on 1 July.

In Dobell, which is ranked ninth in New South Wales when it comes to recipients of youth allowance (other), these new arrangements will see up to 2,000 young people in Dobell benefit from the skills they will obtain under this program. I firmly believe that young people who are capable of working should be working and contributing to the community. Work for the Dole provides a means for young people to be engaged in the community, to be active, to develop a valuable job readiness and life skills and, importantly, help avoid a lifetime of
welfare dependency. Young people in Dobell, through participation in this program, will gain the skills and experience required to move from welfare to work. The community of Dobell will benefit from this program in seeing our young, long-term unemployed obtain skills and contribute to community projects. I congratulate the government on this initiative and for including Dobell in this program.

**Racial Discrimination Act 1975**

Mr THISTLETHWAITE (Kingsford Smith) (13:47): I wish to congratulate the Bangladeshi community of Kingsford Smith for holding a very successful biggest morning tea event last Sunday in Mascot to raise money for cancer research. I was fortunate to join hundreds of members of our community to raise over $5½ thousand for the New South Wales Cancer Council. This is the 13th occasion that our Bangladeshi community have run this event and they have raised over $100,000 for cancer research throughout Australia.

Speeches were delivered by Dr Ayaz Chowdhury, an oncologist from Bangladesh; and Dr Abdul Haq, who is the brains behind *Good Morning Bangladesh*. It was a wonderful community event that not only raised funds and awareness for cancer research but also promotes harmony and cultural education in our community. This is being threatened by this government's proposed changes to section 18C of the Racial Discrimination Act. These proposals to remove protections that protect Australians from offensive, insulting and humiliating behaviour will not create harmony, will not promote unity within Australian society. That is why the Labor Party is opposed to these changes. I finish with this question for the Attorney-General and for those opposite: what is it that cannot be said or done now under Australian laws that you propose should be able to be said or done if these proposals are put through the parliament? What is it you cannot say now that you want to be able to say if you watered down the Racial Discrimination Act?

**Budget: Infrastructure**

Ms O'DWYER (Higgins) (13:49): A gridlocked nation is an unhappy one, as evidenced by more than 5,000 infrastructure related letters, emails and calls received in my electorate office. So I am delighted that the federal budget makes a significant contribution to getting our nation moving, with an additional transport infrastructure investment of $11.6 billion rising to $50 billion by the end of the decade. This Commonwealth investment will catalyse further state and private sector investments, leading to over $125 billion of infrastructure commitments by the end of the decade.

Targeted spending on productivity-enhancing infrastructure will have an extraordinary impact on our nation: contributing to economic growth, creating tens of thousands of jobs, improving efficiency and raising living standards by reducing congestion. The government is prioritising road infrastructure, thereby reducing bottlenecks that are a toll on both business and local communities. Federal spending on road infrastructure means that state governments can inject more funding into other transport infrastructure, namely rail.

A healthy transport system supports a healthy economy. Looking down the track, Treasury estimates that the government's growth package is expected to increase the size of the economy by one per cent. Even the construction phase can be a boost for local economies. For example, the East West Link in Melbourne and the WestConnex project in Sydney will
together create 16,000 new jobs. Making the difficult decisions to get spending under control and debt under control allows our nation to focus on paying for infrastructure, not interest.

**Petition: Racial Discrimination Act 1975**

Ms BUTLER (Griffith) (13:44): I present a petition which has been considered by the Petitions Committee and found to be in order:

*The petition read as follows—*

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

This petition of Citizens of Australia who are firm believers in protection of racial dignity and multiculturalism draws to the attention of the House:

The community concerns in relation to the proposed changes to Racial Discrimination Act 1975. The proposed changes will reduce the Act's ability to protect the community against hate speech, bigotry and similar offensive conduct in relation to race, colour, or national or ethnic origin. We are firm believers in right to free speech but we also believe that these rights come with responsibility and it is the duty of the government to protect our diverse population from a small but loud minority, who may misuse the changes to insult, humiliate and offend fellow Australians on the basis of their race, colour and national or ethnic origin.

We therefore ask the House to oppose and vote against any changes to the Racial Discrimination Act 1975.

from 979 citizens

Petition received.

Ms BUTLER: The 979 signatures on this petition have been collected by members of the Holland Park Islamic Society on Brisbane's south side, who, as they state:

... are firm believers in protection of racial dignity and multiculturalism ...

The petition draws to the attention of the House community's concerns about any changes to the Racial Discrimination Act 1975. It rightly points out that it is the duty of the government to protect our diverse population from a small but loud minority who may misuse changes in the act to insult, humiliate and offend fellow Australians on the basis of their race, colour or national or ethnic origin.

The provisions of 18A through to 18E of the Racial Discrimination Act are provisions that have served our nation well for many years. They are provisions under which people who have been vilified can seek the assistance of the Human Rights Commission to find a resolution and some redress and some sense of vindication in respect of the person who has vilified them—the provisions under which people can go to the Human Rights Commission and talk face-to-face in a confidential way about the words that have been said or the conduct that has been engaged in. It is a provision that has been used by many different ethnic communities to seek some sort of redress for vilification. I urge the House not to support any changes.

**Sorrento Surf Life Saving Club**

Mr GOODENOUGH (Moore) (13:52): Surf lifesaving is a vital part of the lifestyle in my coastal electorate of Moore, which is home to three active surf clubs along some of the most pristine metropolitan beaches in Western Australia. I was pleased to join some 250 club members and guests at the Sorrento Surf Life Saving Club's annual awards dinner recently.
Founded in 1958, Sorrento Surf Lifesaving Club has a growing membership base in excess of 1,700 members.

The club patrols five kilometres of coastline, including Sorrento Beach and the Hillarys Boat Harbour. Volunteers provide a vital community safety service through more than 7,300 patrol hours annually, with our lifesavers regularly called upon to perform rescue interventions. Sorrento Surf Life Saving Club is also involved in education, training and competitive surf sports, with several members achieving success at state and national titles. I formally recognise in parliament the administrative work of President Leif Hinrichsen, and the dedicated team of club directors, Darrell Slater, Christine Cougan, Guy Burnett, Garry Bunford, Ian Smallwood, Graham Nash, Ken Jenner and administrator Kerry Yates, club coaches and officials. Finally, congratulations to Nikki Owen, who was named club person of the year for 2014.

**Multiculturalism**

Ms MacTIERNAN (Perth) (13:53): I am proud of Australia's performance as a multicultural nation. We are far from perfect but we are doing a pretty good job in that very hard task of creating the social glue we need to bring people from such disparate backgrounds together in a unified national identity.

The Racial Discrimination Act has served an important role in achieving this identity. It sends a message that as we are working on this complex project of bringing many people together we must learn to be careful with what we say. We cannot make anyone feel less valued because of their race. Watering this down to any extent will undermine that important message.

Two months ago, the member for Greenway and I hosted a forum in Perth of 25 Indigenous and other ethnic groups, whose leaders developed a communique which said, inter alia:

Insulting, offending or humiliating a person because of their race leads to increased discord in our community, and serious personal consequences for victims of discrimination.

We need laws that preserve freedom from fear, not ones that promote freedom to hate.

We call on the Federal government to reconsider its proposed changes to the Racial Discrimination Act and ensure that the Act continues to protect Australian citizens from hate-speech and to promote harmony.

**Pilbara Region**

Ms PRICE (Durack) (13:55): I thoroughly enjoyed showcasing all that the Pilbara has to offer in business, tourism and culture, when I recently welcomed a visit of around 80 of the most senior members of the foreign diplomatic corps and the Minister for Foreign Affairs, the Hon. Julie Bishop to my electorate of Durack. This was a key opportunity to highlight three important resource projects in the region which are significant contributors to Australia's economy: BHP Billiton in Newman, Woodside in Karratha, and Rio Tinto in Dampier.

The Pilbara is undoubtedly the engine room of the nation's economy, with the Shire of Roebourne alone producing the sixth largest economic output of all Australian municipalities. The sense of optimism in this region is incomparable, which was also highlighted on my recent trip to the region, where I was joined by Senator Alan Eggleston and—I say this very proudly—the newly elected Western Australian Senator Linda Reynolds.
However, the Pilbara has been playing catch-up in terms of road and port infrastructure, land availability, community development and the availability of goods and services, due to the economic imbalance caused by the dominance of the resources sector. We need to work with industry and the community now to ensure history is not repeated, and the region's future prosperity and sustainability is not compromised through the inaction of underinvesting in these vital services.

**Multiculturalism**

**Ms O’NEIL** (Hotham) (13:56): On the day that the Attorney-General defended bigots in the Senate, a woman came into my electorate office visibly shaken. She had been racially abused in Clayton Road and she had confronted her abusers. The person who had abused her said, ‘We’re allowed to do this now because of George Brandis.’

Communities like the one I represent in Hotham are the chief beneficiaries of the success of Australian multiculturalism. But they are also the communities with the most to lose if we allow protections against racism in Australia to be destroyed.

When people in my community of Hotham heard about the changes that were taking place I was contacted by scores of them to ask that I stand up for them in this chamber and fight for the protection of that community. I ran a community forum, which the shadow Attorney-General attended. There were more than 100 people there, who came together to talk about what we can do—not to destroy protections against racism in this country but to strengthen them. Many of those people have made their own intelligent and passionate submissions to the Attorney-General’s process. I also made a submission on behalf of the people of Hotham.

But, as with so many of the radical ideological changes that this government is attempting to undertake—whether it be destroying Medicare, making cuts to the age pension or taking away protections for young people—Australians are just not with the government. People across the country are contacting me to say that this is not a country that they recognise and 18C is a part of those changes.

**Small Business**

**Mr PITT** (Hinkler) (13:58): Last week, the Minister for Small Business took the opportunity to visit my electorate. It was a very successful visit, and I would like to thank the minister for taking that opportunity. He opened the Bundaberg Business Expo, which was much appreciated by local businesses, and he held a roundtable discussion. There was a very simple message from the businesses at the roundtable. The message was that they want us to get out of the way. They are tired of having reams of red and green tape which hold up their businesses and stop them from doing the work that they do every single day.

The message came from people like Peter Barone, from the Red Capsicum coffee shop, Andrew Murchie from Murchie Constructions. Mr Murchie has built numerous buildings in the district but cannot currently build anything under the federal program because he cannot get the accreditation, which costs an absolute fortune. These are good, strong local businesses which have opportunities in the regions to build things under federal funding, but they cannot do it. The message is simple. We need to get out of the way and let them get on with what they do best and get the work done.
It was a great opportunity for Minister Billson and it demonstrated that the government does not have its ears painted on. Minister Billson was there to listen. It was very much appreciated by the local businesses.

The SPEAKER: It being 2 pm, in accordance with standing order 43 the time for members’ statements has concluded.

QUESTIONS WITHOUT NOTICE

Royal Commission into Institutional Responses to Child Sexual Abuse

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:00): My question is to the Prime Minister. Before the election, the Prime Minister promised Australians that the coalition would support the royal commission into child sex abuse. The Prime Minister has broken this promise by cutting over $14 million from the budget for this royal commission. How does the Prime Minister justify this heartless cut? Will the Prime Minister now reverse this decision?

Mr ABBOTT (Warringah—Prime Minister) (14:00): There has been no cut.

Mr Dreyfus interjecting—

The SPEAKER: The member for Isaacs will desist!

Mr ABBOTT: It is quite common for an underspend in one area of a portfolio to be spent in another area of the portfolio. The government has budgeted $377 million—let me repeat that: the government has budgeted $377 million—for this royal commission, until the middle of 2016, because we want this commission to do its work. I would be fairly confident that by the time it is finished this will be well and truly the best funded royal commission in Australia’s history. And it should be, because this is an abhorrent crime. It is deplored by this government—and indeed by all members of this House—and the royal commission should be supported to get on and do its job, and it will be by this government.

Budget

Mr PORTER (Pearce) (14:01): My question is to the Prime Minister. Will the Prime Minister inform the House why it is important to reduce Australia’s debt burden and how will tackling Labor’s debt-and-deficit legacy strengthen the economy for the long term?

Mr ABBOTT (Warringah—Prime Minister) (14:02): This is an important question from the member for Pearce and I thank him for it. The sad truth is that Labor’s debt is costing this Commonwealth $1 billion every single month just to pay the interest on the borrowings. In 10 years time, had members opposite continued in government, it would not have been $1 billion a month it would have been $3 billion a month in dead money, spent in interest repayments on the borrowings.

Mr Albanese interjecting—

The SPEAKER: The member for Grayndler will desist!

Mr ABBOTT: That is $1 billion, even now, that is not available for schools, for hospitals and for roads. If we did have that saving of $1 billion a month, because we were not paying for Labor's debt and deficit, in three months we could build the Western Sydney infrastructure package, in six months we could duplicate the Pacific Highway from Newcastle to the Queensland border, in little over 12 months we could fully build the East West Link in

CHAMBER
Melbourne and in just one month we could almost conclude the Perth Gateway and the Swan bypass. But we just have not got that $1 billion a month, because that is paying Labor's debt bill. That $1 billion a month is paying Labor's debt bill.

They gave us the six biggest deficits in our history. They would have given us, had they been re-elected, four more years of record deficits. They would have given us a decade of deficits, had they been re-elected. Every year of deficit is just more debt for our children to repay. They were stealing from our future. It was intergenerational theft from members opposite. The budget is this government's plan to fix Labor's debt. Where is Labor's plan to fix Labor's mess? Let's face it, we had the good Bowen from the Parliamentary Budget Office give some advice to the bad Bowen, just the other day. The good Bowen said: 'It is time to start coming out of debt and deficit; otherwise, the longer you leave it the more exposed you become and the harder it is to wind back.'

This government has taken tough decisions today so that we do not have to take even tougher decisions in the future. Australians expect their governments to take the tough decisions, not to squib them.

Racial Discrimination Act 1975

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:05): My question is to the Prime Minister. Australians have rejected the Prime Minister's divisive changes to section 18C of the Racial Discrimination Act. Will the Prime Minister listen to the Australian people and abandon his proposed changes? When will the Prime Minister agree that protecting racists and bigots is not the Australia that we want to see?

Mr ABBOTT (Warringah—Prime Minister) (14:05): Racism has no place in Australian society, no place whatsoever. Racism is absolutely abhorrent. Racism has no place in our society and neither do unreasonable restrictions on free speech. As the House would know, we have called for debate, we have sought community input, we are considering the submissions that we have received and we will be responding in due course.

Mr Perrett interjecting—

The SPEAKER: The member for Moreton!

Budget

Ms HENDERSON (Corangamite) (14:06): My question is to the Treasurer. Will the Treasurer outline how getting the budget under control will allow us to build a stronger economy and a better Australia?

Mr HOCKEY (North Sydney—The Treasurer) (14:06): I thank the honourable member for Corangamite for her question and note that, because we have laid down a budget that asks people to contribute so that we can build, that is how we are able build the East West Link in Victoria, which is going to make a substantial difference in Melbourne and also to Geelong—cutting three hours of travel time from Geelong into Melbourne each week, which is a productivity improvement. But we can only do that if we are allowed to get on with the job of fixing the mess that was left behind by Labor.

They have left us $667 billion of debt if no action is taken immediately—in 10 years time $667 billion of debt. That is $25,000 for every man, woman and child in Australia as a result of what Labor did in just six years. That is nearly $3 billion a month in interest. Even now we
are paying about $1 billion a month in interest on the debt left behind by Labor. And here is the
interesting thing: 70 per cent of that $1 billion a month goes to people living overseas who
we have borrowed money from. Seventy per cent of that money, $700 million, every month is
being sent by the Australian government to people who are living overseas to pay the interest on
the debt that Labor left behind.

Mr Perrett: I bet they're foreigners.

The SPEAKER: The member for Moreton will desist.

Mr HOCKEY: They do not get it. They do not actually understand the implications of
their spending decisions. When Labor were handing out $900 cheques, even to dead people
overseas, and building massively expensive school halls—

Mr Husic interjecting—

Dr Chalmers interjecting—

The SPEAKER: The member for Chifley will desist, and the member for Rankin.

Mr HOCKEY: and when they were running all those deficits, someone had to pay. We
had to borrow the money, and 70 per cent of that money has come from people living
overseas. So now we have to pay the interest back on that debt. Labor think there is no
problem. The Labor Party are in denial—not just about what they have done but also about
the challenge for the future. That is why they are opposing $40 billion of savings, of which $5
billion of those savings were promises they made at the last election which they now want us
to break. Their own savings they oppose.

Now we have a clear situation of the hypocrisy of Labor. They are opposing the savings
they took to the last election which would fix the budget; they are now opposing a co-
payment on Medicare, which they originally came up with; they are now opposing freezing of
family tax benefits, which they did in government; and they are now opposing changes to
university fees, which they initially introduced. They have no principles. They are outright
hypocrites—but Australia is paying.

The SPEAKER: The Treasurer will withdraw the word 'hypocrite'. It is unparliamentary.

Mr HOCKEY: I will withdraw.

Budget

Mr BOWEN (McMahon) (14:09): My question is to the Prime Minister. Can the Prime
Minister confirm that in 2017-18 the Prime Minister will not be contributing one cent to pay
for his broken promises but a single-income family will lose over $6,000?

Mr ABBOTT (Warringah—Prime Minister) (14:10): Assuming that I am in my current
job—and I make no assumptions about longevity—I can assure you that I will be in the top
marginal tax bracket. I will be in the top marginal tax bracket, which means, yes, I will be
continuing to make a very considerable contribution to the task of repairing Labor's debt and
deficit disaster.

Ms Macklin interjecting—

The SPEAKER: The member for Jagajaga will desist.

Mr ABBOTT: The tragedy which members are still in denial about is that every single
Australian will be paying for their debt and deficit disaster for many, many years to come.
That is the problem. When we have six years of utter incompetence, six years of utter betrayal of everything they once said they stood for, everyone pays. That is the problem: everyone has been a loser from the last six years of Labor's debt and deficit disaster.

**Budget**

**Mrs McNAMARA** (Dobell) (14:11): My question is to the Minister for Social Services.

**Opposition members interjecting—**

**Mrs McNAMARA:** Will the minister confirm that age pensioners will keep their pension supplement—

**Mr Albanese interjecting—**

**Mrs McNAMARA:** and they will not be worse off as a result of this budget?

**The SPEAKER:** I cannot hear the question. There will be silence on my left.

**Mr Albanese interjecting—**

**The SPEAKER:** Start the question again. The member for Grayndler is warned!

**Mr Albanese interjecting—**

**The SPEAKER:** The member for Grayndler is warned! The member for Dobell has the floor.

**Mrs McNAMARA:** My question is to the Minister for Social Services. Will the minister confirm that age pensioners will keep their pension supplement and that they will not be worse off as a result of this budget?

**Mr ANDREWS** (Menzies—Minister for Social Services) (14:12): I thank the member for Dobell for her question and commend her on the fine representation of the people of Wyong, The Entrance and surrounding areas on the Central Coast of New South Wales.

**Opposition members interjecting—**

**The SPEAKER:** The minister has the call.

**Mr ANDREWS:** I can assure the member for Dobell and everybody in the House and everybody listening to this question time this afternoon that pensioners will keep their pension supplement. They are currently receiving up to $1,635 per annum as a single and up to $2,464 per annum as couples. Not only will they keep that pension supplement but I can also assure the member that that pension supplement will increase again in September. But this has not stopped the Labor Party from claiming otherwise.

**Opposition members interjecting—**

**Mr ANDREWS:** I came across a brochure which clearly says: 'Age pensioners lose $876 per annum seniors supplement'. This brochure is authorised and printed by Senator Doug Cameron. I have news for Senator Cameron and the Labor Party: age pensioners do not receive the seniors supplement—they never have. They did not receive it under you. They do not receive it now. But that does not stop Mr Cameron running around the country saying that they will lose this.
Mr Butler: You said it.

The SPEAKER: The member for Port Adelaide!

Mr Butler interjecting—

The SPEAKER: The member for Port Adelaide is warned!

Opposition members interjecting—

Mr ANDREWS: Madam Speaker, over all the rabble opposite, what we see once again is a pattern of deceit and deception from the Labor Party. But what is worse about this is that—

Mr Burke: Madam Speaker, the minister is making unparliamentary reflections on himself.

The SPEAKER: There is no point of order. The Manager of Opposition Business knows that that is an abuse of standing orders and will desist.

Mr ANDREWS: So what is worse about this is that the person who is currently responsible for these—

An honourable member interjecting—

The SPEAKER: The minister has the call.

Mr ANDREWS: services for the Labor Party, responsible for such payments, cannot even get his facts right. So the Leader of the Opposition should either condemn Senator Cameron for this scaremongering—

Ms Collins interjecting—

The SPEAKER: The member for Franklin will desist.

Mr ANDREWS: or stand him down and get somebody else to do the job. The reality is, I can assure the member for Dobell and everybody else in Australia, pensions will continue to go up. They went up in March, they will go up in September, and the pension supplement will indeed continue to increase and remain in existence.

Budget

Ms MACKLIN (Jagajaga) (14:15): My question is also to the Minister for Social Services. Does the minister recall telling ABC radio on Monday that the government is cutting the pension supplement? Minister, isn't this just another broken promise or, if it is wrong, doesn't it show that both the Prime Minister and his ministers do not even know their own budget and the pain they are causing Australians?

Mr ANDREWS (Menzies—Minister for Social Services) (14:16): Madam Speaker—

Opposition members interjecting—

The SPEAKER: The minister will resume his seat.

Ms Macklin: It was only on Monday!

The SPEAKER: The member for Jagajaga will desist. The question has been asked. We will have silence for the answer. The minister has the call.

Mr Husic: I can't hear him—his foot's in his mouth!

The SPEAKER: The member for Chifley is warned!
Mr ANDREWS: Madam Speaker, all I can say to the member for Jagajaga is 'come in spinner', because the reality is that, contrary to the lies that are being peddled by the Labor Party around Australia, lies like this one from Senator Cameron, the pension will continue to increase and the pension supplement will continue to be paid. That is the reality.

Mr Bowen: Madam Speaker, I raise a point of order. It is unparliamentary for the minister to accuse himself of being a liar.

The SPEAKER: If the member for McMahon abuses the standing orders in that way again he will leave the chamber. The minister has the call.

Mr ANDREWS: The first stage of the grieving process is denial, and hasn't the Labor Party got it in heaps—total denial that you engaged in deception and deceit on the Australian people. As the Treasurer pointed out, we are racing towards an accumulated debt of $25,000 for every man, woman and child in Australia. Why don't you get real and face up to the situation that you left this country in? Why don't you face up to it rather than sitting there with this rabble of denial that we continue to get from the Labor Party? The reality is pensions will continue to rise in March and September—

Mr Burke: Madam Speaker, I raise a point of order.

Mr ANDREWS: They have had a point on relevance, Madam Speaker.

The SPEAKER: The minister has the call.

Mr Burke: Madam Speaker—

The SPEAKER: What is the point of order?

Mr Burke: I am genuinely loath to interrupt, but he should speak through the chair rather than directing his remarks at you.

The SPEAKER: That is a reasonable point of order, and the minister will direct his remarks through the chair.

Mr ANDREWS: Madam Speaker, I would hate to accuse you of misleading the Australian people like the Labor Party is; but that is what is happening. So, in their total state of denial, you have people like Senator Cameron running around Australia trying to scare the pensioners of Australia that they are going to lose their pensions and that they are going to lose their pension supplement. The reality is in March of this year the pensions went up between about $10 and $15 for Australian pensioners, they will go up again in September of this year, they will go up again in March of next year and in September of next year, and the year after and the year after and the year after. That is the reality. And the pension supplement will be maintained and the pension supplement will increase in September this year. So it is about time that the Leader of the Opposition showed some gumption and some leadership and told Senator Cameron to stop this pattern of behaviour of running around and pretending that something is the case which is not the case for the pensioners of Australia. Shame on the Labor Party.

Ms Macklin: Madam Speaker, I understand the ruling you made earlier this week—

The SPEAKER: Well, get on with the point of order.

Ms Macklin: but I do seek leave to table the transcript of the minister on Monday—he does not seem to remember what he said.
The SPEAKER: The member will resume her seat.

Mr Nikolic: Madam Speaker, on a point of order, is it within the standing orders for the jovial fellow, Bill Shorten's adviser, in the advisers box over there to be gesticulating wildly and laughing uproariously and engaging himself in the debate of the House?

Honourable members interjecting—

The SPEAKER: There will be silence. It is time that we had some decorum here. People are watching, as I said yesterday, in the galleries. They cannot hear what the questions being asked are. The member for Denison has an important question to ask. And those people who sit in the advisers box—I have not been able to see their pleasant faces this afternoon, but if they are gesticulating they shall desist. The member for Denison has the call.

Mr Mitchell: Madam Speaker, on the point of order—

Government members interjecting—

Mr Mitchell: when the creepy little collection over there shuts up, perhaps the member for Bass and his friend in front of him may not want to be trying to engage advisers that are sitting in the box.

The SPEAKER: There is no point of order, and it would be a good idea to withdraw or shut up, please.

Mr Mitchell: Withdraw or shut up?

The SPEAKER: I call the honourable member for Denison.

Budget

Mr WILKIE (Denison) (14:21): My question is to the Prime Minister. Prime Minister, the budget maintained funding for Bass Strait freight and passenger vehicle subsidies and flagged the Productivity Commission inquiry into the issue. Prime Minister, Bass Strait is the most significant brake on Tasmania's economic development, and any reduction in the subsidies would be a crippling blow. When will the commission's report be made public; when will the government respond; and do you commit to not reducing the subsidies in any way, regardless of the commission's recommendations?

Mr ABBOTT (Warringah—Prime Minister) (14:22): I thank the member for Denison for his question. Loath as I am to disagree with the member, I do respectfully suggest to him that the former Labor-Green government was a much bigger brake on Tasmania's economic development than the Bass Strait! This government here in Canberra and, I am sure, the new government in Hobart do want to contribute seriously to Tasmania's economic development because Tasmania needs to be a great place to work as well as a great place to live and a great place to visit. Members on this side, like the member for Denison, want to ensure that Tasmania is an economy as well as simply a national park.

To that end, we are contributing $400 million towards the duplication of the Midland Highway. I confirmed $26 million towards upgrading the Brooker Highway. There is some $40 million being contributed towards the upgrade of Hobart airport. The coalition invented the Freight Equalisation Scheme, we support the Freight Equalisation Scheme, we have no plans to change the Freight Equalisation Scheme, and that is why $114 million was committed to the Freight Equalisation Scheme every year in the budget just brought down.

Mr Wilkie: Madam Speaker, on a point of order on relevance—
The SPEAKER: I think the Prime Minister has completed his answer. Have you completed your answer?

Mr Abbott: Yes.

The SPEAKER: Yes, he has completed his answer.

Budget

Mr HOWARTH (Petrie) (14:24): My question is to the Minister for Education. Minister, could you please explain how the government's higher education reforms will increase opportunity for all Australians, including those from low-income households?

Mr PYNE (Sturt—Leader of the House and Minister for Education) (14:25): I am delighted to get a question from the member for Petrie about the budget and about higher education in particular, because this government's reforms to higher education are designed to do two things: they are designed to spread the opportunity to more Australians to get a higher education qualification and they are designed to equip our universities with the freedom that they need to be able to thrive and be the best they possibly can be in order to compete with the Asian competitor universities in our region. We are doing that through the largest Commonwealth scholarships fund in Australia's history and by removing the cap on diplomas and associate degrees so that up to 80,000 more young people will get the opportunity, over time, to get a diploma, associate degree or undergraduate degree. We are extending the Commonwealth Grants Scheme to non-university higher education providers to give a shot of competition to the market and also expand opportunities for more students. We are abolishing the loan fees for VET, vocational education and training, and non-university higher education courses which have been a disincentive to students to go to those kinds of institutions. And we are deregulating universities.

Some of the myths that have been put about about deregulating universities are that deregulation will lead to fewer young people of low socioeconomic status going to university and that it will lead to a reduction in enrolments. I think it is instructive to look at the experience of England and Scotland after the deregulation of fees in England and the abolition of fees in Scotland, because they both occurred at about the same time and the results are starting to come in. I must admit I have been helped by the Guardian website—unusually so. Daniel Carr from theguardian.com wrote a very good piece yesterday, exposing the fact that the Universities and Colleges Admissions Service in the UK found:

Compared with entry rates in 2011, the year before the introduction of higher tuition fees in England, 18 year olds in disadvantaged areas in England are 12 per cent more likely to enter in 2013.

It also found:

… the share of disadvantaged background students entering university is now at its highest in a decade.

That is what has been found in Great Britain after the deregulation of fees: more students from poorer backgrounds are at university today than before deregulation. In Scotland, fees were abolished. In an article in The Telegraph, Professor Riddell from Edinburgh university's school of education found:

… the proportion of students from low income backgrounds has not changed since fees were abolished …
So the abolition of fees in Scotland led to no change at all in the number of poorer students going to university, but the change in England meant that more students got to go to university than before deregulation. — *(Time expired)*

**Budget**

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:28): My question is to the Prime Minister. This morning the member for Tangney criticised the Prime Minister for making more than $1 1/2 billion worth of cuts to science funding in the budget—cuts to the CSIRO, the Australian Research Council, the Australian Institute of Marine Science. Prime Minister, how do massive cuts to Australia's science and research secure Australia's future?

Mr ABBOTT (Warringah—Prime Minister) (14:28): This question is typical of the hypocrisy and incoherence of the Labor Party, because the Leader of the Opposition, when he was education minister, was in part responsible for a cut to the budget of the CSIRO. How can it be that there is a sense of absolute disaster and moral outrage when there is a modest cut to the CSIRO by this government, when there was an equal cut to the CSIRO when the Leader of the Opposition was the minister? The Leader of the Opposition thinks that, if Labor cuts the CSIRO, that is a great thing for our country, but for some reason a similar action from this government is wrong. No-one can take this opposition seriously. No-one can take this opposition seriously, and that question proves it.

**National Security**

Mr GOODENOUGH (Moore) (14:29): My question is for the Minister for Immigration and Border Protection. Will the minister inform the House of the benefit to the government's consistent border protection policies? How important is it to sustain the government's successful policies into the future?

Mr MORRISON (Cook—Minister for Immigration and Border Protection) (14:30): I thank the member for Moore for his question. He has shown strong support for the coalition's strong border protection policies. It has been 160 days since the last successful people-smuggling venture to Australia, and to get those results you must be consistent, you must have resolve and you must follow through.

Mr Marles interjecting—

Mr MORRISON: People smugglers can recognise jelly in the back of a government when they see it. They can recognise it, and they recognised the jelly in the back of the previous government when it came to border protection in their four failed immigration ministers who now litter of the front bench of the opposition. The Australian people can see the jelly in the back of this Leader of the Opposition too, who still refuses to acknowledge the success of this government to date in fixing the mess that their government left behind. They remain in denial about the problem and they remain in denial about the solution that this government is putting in place.

Yesterday we heard a new excuse from the shadow minister about why the boats started again under the Labor Party. We have heard the push factors and all those issues, but yesterday we heard that it is because the people smugglers had access to technology. So it was not Kevin Rudd's fault; it was Steve Jobs's fault that the boats started again. He blames the iPhone for the boats coming back under the Labor Party. What are we going to hear from
next—that the budget deficit is the result of the cloud raining down debt and deficit on the budget?

Mr Marles interjecting—

The SPEAKER: The member for Corio will desist. The member for Corio is warned. One more utterance and you will leave.

Mr MORRISON: This opposition is in denial about the problem they have left for this government and they are in denial about the solutions this government is putting in place.

We need to stay the course on border protection and those opposite would change it all because they oppose the successful border protection policies of this government. They will turn back on turnbacks, you can be sure of that. This government will not be turning on turnbacks, you can be assured. We will stay the course and we will follow through on offshore processing. We will never roll over like they always will on offshore processing. It is in their DNA to do it. We will follow through on ensuring that people who are processed offshore will not be settled in Australia. That is why we are talking to Cambodia. Perhaps the former immigration minister has a Nigerian solution he wants to put forward before this parliament to follow through on what he said would happen and that no-one would be resettled in Australia. We are going to follow through and make sure that happens and we will never honour the people smugglers' promise, which the opposition still wants to do, by providing permanent visas to those who came illegally by boats.

Mr Perrett: Rubbish! Absolute rubbish!

Mr MORRISON: It will not happen under this government.

Budget

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:33): My question is to the Prime Minister. The current cost of science degrees is capped at around $34,000. Recent analysis shows that the cost of the science degree will rise up to $100,000 as a result of this budget of broken promises. Will the Prime Minister guarantee that future scientists in Australia will not have to pay up to $100,000 in debt?

Mr ABBOTT (Warringah—Prime Minister) (14:33): I do not accept that the Education Union analysis is gospel.

Mr Shorten interjecting—

The SPEAKER: The Leader of the Opposition has asked his question and will desist.

Mr ABBOTT: Trust the Leader of the Opposition, the former union official, to treat the national tertiary education union 'analysis' as gospel!

Mr Dreyfus interjecting—

The SPEAKER: The member for Isaacs will desist.

Mr ABBOTT: No-one else does. I am not going to give the guarantee that the Leader of the Opposition seeks, but I can give a guarantee that no sensible institution would price itself out of the market. It is as simple as that. If this particular former union official had as much gumption as another former union official who once led the Labor Party, he would not ask silly questions like that. But the one thing you do know about this former union official is that he is no Bob Hawke.
National Broadband Network

Mr VASTA (Bonner) (14:35): My question is to the Minister for Communications. What impact has waste in the NBN had on the debt burden faced by all Australians? How will the government deliver the NBN sooner and more affordably?

Mr TURNBULL (Wentworth—Minister for Communications) (14:35): I thank the honourable member for his question. As at the date of the election, $6½ billion had been borrowed by the Commonwealth and put into the NBN to deliver a service to less than three per cent. The project was less than three per cent complete. The Labor Party's approach to the NBN is all on the same level as its approach to the budget—denial of reality. At the time they lost office, they said that this project was on time and on budget. Every single forecast, every single target had been missed. It was running way behind time, way behind forecast and way over budget. The strategic review which was published in December, an independent piece of work, demonstrated that the Labor NBN, had they been allowed to continue, would have cost peak funding and the total amount it would have cost, the most money—$73 billion. That was a hit on the taxpayer. That is all money that had to be provided or serviced or guaranteed in some way by the taxpayer.

Mr Dreyfus: Madam Speaker, I rise on a point of order. We had this same problem yesterday. The minister knows—

The SPEAKER: Just get to the point of order.

Mr Dreyfus: that he has to be directly relevant to the question and not talk about the last government—talk about this government! What this government is doing!

The SPEAKER: There is no point of order. The member will resume his seat. The minister has the call.

Mr TURNBULL: We certainly did have the same problem yesterday, and I suspect every day that the honourable member is present in the chamber.

The reality is this: this denial of the facts and denial of the truth has bedevilled the Labor Party's approach to business, to the budget, to the NBN and to every aspect of its administration. One of the things that we have been criticised for as we have endeavoured to sort out this matter, is that we have taken down the Labor Party's maps, which Stephen Conroy, in a sort of SIM city-type of parallel universe had been covering with green blotches to suggest that the NBN was rolling out at a massive pace.

We have been criticised for—

Mr Burke: Madam Speaker, I rise on a point of order. It is just simply for members of the other place to be referred to by their proper titles.

The SPEAKER: The minister has the call and will refer to members by their proper titles.

Mr TURNBULL: We have been criticised for telling the truth about the progress of the NBN. Labor members have said, 'You've taken these green blotches off the map, and Senator Conroy has been so upset!' I mean, he is the shadow minister for Defence, but it seems that the only thing he is defending is himself as far as I can see.

Of course, the remarkable thing in terms of reality denial in this area is that we have the member for Blaxland and the member for Greenway—surely the Laurel and Hardy of telecommunications—who have been there, constantly complaining about—
Mr Clare: Madam Speaker, I rise on a point of order. I think we have had enough 'Turnbulldust' for one day. I think you should sit this member down.

The SPEAKER: The member will resume his seat. The minister has the call.

Mr TURNBULL: They are supposed to be responsible for broadband policy. Well, we never hear from them—never get a question! Only Senator Conroy is to be heard.

Nurse Education

Ms KATE ELLIS (Adelaide) (14:39): My question is to the Prime Minister.

Mr Pyne: What about me?

Mr Shorten: Yes, no truer word spoken!

Ms KATE ELLIS: The current cost of a nursing degree averages around $18,000. Will the Prime Minister guarantee that the cost of a nursing degree will not exceed the average starting salary in nursing of around $48,000 today as a result of his broken promise?

Mr Shorten interjecting—

The SPEAKER: The Prime Minister has the call, and the Leader of the Opposition will desist and allow the answer to proceed.

Mr ABBOTT (Warringah—Prime Minister) (14:40): I know this is difficult for members opposite, but in a deregulated system fees can move up and fees can move down.

What can be guaranteed in a deregulated system, in a market system, is that institutions will not try to price themselves out of the market. All I can assume is that the shadow minister opposite thinks that institutions are so stupid that they will destroy themselves. Well, they are not. They are not. We will give them the freedom that they need to be as good as they can be, and I do not know why members opposite are so frightened of freedom. Why do they think so ill and so little of our institutions that they want to keep them in chains?

Medicare

Mr EWEN JONES (Herbert) (14:41): My question is to the Minister for Health, and may I pass on my personal congratulations on the great job he is doing in ensuring the sustainability of our health system in this country. Will the health minister inform the house about how the government is protecting the universality of Medicare in the budget? How does this differ from alternative policy approaches?

The SPEAKER: I call the Hon. Minister for Health, but I would advise the member for Herbert that we do not need those preambles.

Mr DUTTON (Dickson—Minister for Health and Minister for Sport) (14:41): I thought it was okay, Madam Speaker! Thank you very much to the member for Herbert for his question. All of us on this side of the parliament, are determined—absolutely determined—to strengthen Medicare; to make sure that we remain the best friend that Medicare has ever had.

I am sorry to say that when you look at those opposite, they are a shadow of their former selves. If you look back to the great Prime Minister, Bob Hawke, the last great Labor leader, he was a supporter of a co-payment because in his own words, he wanted to make sure that we could sustain Medicare going forward. At the moment in our country, for a population of 23 million people, we provide 263 million free services a year.
We cannot give everything for free to everyone on the credit card, which is Labor's proposal. That is not sustainable. We cannot be spending $20 billion a year on Medicare as we do today; we were spending $8 billion a year 10 years ago, going out to $34 billion in 10 years' time. We have to strengthen and modernise Medicare because, if we do not, we will go down Labour's path of destruction, and debt, and deficit and borrowing money to pay interest and to pay the health bill. It is unsustainable.

Mr Husic: He's from Queensland and he's wearing a blue tie!

The SPEAKER: The member for Chifley will desist!

Mr DUTTON: I will make sure with the introduction of the co-payment that we will have the capacity that those people who can pay the seven-dollar co-payment will pay the seven dollars, but we will retain bulk-billing. We will retain bulk-billing, which is incredibly important. I believe very strongly, as the AMA says that they are in support of a co-payment in principle, that we will introduce a system that will have sustainability.

It is true, as I look opposite and I see former union boss after former union boss, that these people are not anything on people like Brian Howe, Graham Richardson and Bob Hawke. These are pea hearts of the Australian Labor movement in the modern age. That is the reality. These people are not a patch on former Labor greats.

Let me say this: we have outed the member for Fraser as a supporter of the co-payment, and he is a sensible person on this topic. Let's give him credit. Bob Hawke and Brian Howe supported a co-payment because they said without the co-payment Medicare was not sustainable. But I do know one thing: there is a sleeper opposite and we are about to out the sleeper—the supporter for a Medicare co-payment. We know the member for Fraser is a supporter. We know Bill Shorten will adopt every position that suits his position at that point in time. Who is the sleeper? Jenny Macklin, the member for Naga Naga. She is a supporter of a co-payment and I am going to spend more time on it soon.

The SPEAKER: I would remind people, including ministers, that they will refer to people by their correct titles. It is the member for Jaga Jaga.

Ms King: Madam Speaker, on a point of order: it was an extremely offensive and sexist remark and he should withdraw.

The SPEAKER: That is precisely why I dealt with it. Before we proceed any further, firstly, I do not think I am interested in hearing about sexist remarks. Secondly, I wish to advise the chamber that we have Mr Sandy Mackenzie, the former member for Calare, with us in the gallery today. And we have a lot of schoolchildren who are watching us here today and, I have to say, are much better behaved.

Honourable members interjecting—

Mr Shorten: Save for your university fees!

The SPEAKER: When I am on my feet we will have silence, thank you, from both sides. The Leader of the Opposition gets considerable latitude and I must say to him that was quite out of order and I would like him to apologise for being so out of order.

Mr Shorten: Madam Speaker, I was not looking in your direction and I do apologise—I did not realise you were still on your feet.
Budget

Ms PLIBERSEK (Sydney—Deputy Leader of the Opposition) (14:46): My question is to the Prime Minister. Recent analysis shows that those who take time off work to have children will pay around $120,000, in today's dollars, for an accounting degree, including about $45,000 in interest, which would now take 36 years to pay off. Will the Prime Minister guarantee that women who take time off to have children will not be paying off their university degrees for the next 36 years as a result of the Prime Minister's broken promise?

Mr ABBOTT (Warringah—Prime Minister) (14:47): I just wish to make two points in response to the Deputy Leader of the Opposition. The first point is that anyone going to an Australian university to do an undergraduate degree will have the course fees, whatever the fees are, covered by FEE-HELP. So no-one need pay a single cent up-front—

Ms Kate Ellis interjecting—

The SPEAKER: The member for Adelaide will desist and hear the answer.

Mr ABBOTT: and I have to say it will be the most advantageous loan they ever receive under the conditions that this government has put forward. I simply reject this suggestion that there is something fundamentally wrong with a deregulated university system. I simply reject the idea being peddled by members opposite that our universities are not capable of governing themselves and that prospective students are not capable of making intelligent decisions about their future. And I am not alone in my support for a deregulated university system. Let me quote:

Market based HECS—

that is to say, market based fees—

will also help to improve our higher education system by making universities even more responsive to student needs and educational outcomes …

Well, who was this wise man? Who was this guru, this sage, this seer, this prophet? None other than Labor's Assistant Treasurer. I can understand why not too many of his colleagues want to sit next to him—I think at the moment he's got a bit of a communicable disease down there! Do you know what it is? It's common sense—only it's not very catching with members opposite!

Mr Burke: Madam Speaker, a point of order: a moment ago you asked for a bit of maturity within the parliament. The Prime Minister should abide by that ruling.

The SPEAKER: There is no point of order that you have addressed. The Prime Minister has the call.

Mr ABBOTT: The result of the changes which this government is putting in place will be a better funded, more dynamic and competitive education sector. That is not me, that is Labor's Assistant Treasurer, and he is absolutely right. His common sense should be heeded by people like the Deputy Leader of the Opposition.

Work for the Dole Program

Mr PITT (Hinkler) (14:50): My question is to the Assistant Minister for Employment. Will the minister update the House on the progress of the government's plans to rebuild Work for the Dole?
Mr HARTSUYKER (Cowper—Deputy Leader of the House and Assistant Minister for Employment) (14:51): I thank the member for his question and may I commend the member for Hinkler as a member who understands the importance of job creation in his electorate and understands the benefits that work for the dole can provide to young job seekers. I can advise the House that today I announced details of the government’s arrangements for the first phase of our rollout of a revamped Work for the Dole program, which will offer to young job seekers aged 18 to 30 who have been unemployed for over 12 months the opportunity to participate in the Work for the Dole program. Phase 1 will be rolled out in some 18 selected areas around the country and will deliver to many young job seekers the types of experience which will assist them in getting a job and becoming more competitive in the job market.

Work for the Dole also has the added benefit of delivering excellent outcomes in the community—delivering community projects that might not be possible if it was not for the labour resources that Work for the Dole can bring. Work for the Dole is a program that is supported right around the country. Let me quote the words of the former Mayor of Hervey Bay and now member for Hervey Bay, Ted Sorensen. Mr Sorensen said:

When I was mayor of Hervey Bay, Work for the Dole participants helped build the footpaths and walkways along our picturesque Esplanade. It built self-confidence and gave participants a sense of achievement. Many of the participants gained long-term employment—

Ted Sorensen understands the importance and the value of Work for the Dole. The Australian people understand the value of Work for the Dole. The coalition is committed. We are committed to creating opportunities for young people.

Mr Albanese interjecting—

The SPEAKER: You have been warned, member for Grayndler.

Mr HARTSUYKER: That is why we have a range of programs including the job commitment bonus, relocation assistance and, for those people living in Tasmania, our Tasmanian jobs plan. But the most important thing we can do for young job seekers is to build a strong economy because nothing creates more jobs than a strong economy. It is a shame that the members opposite sit in the way; they just continue to sit there in the way of the budget measures that we wish to implement. Let me say: young Australians are right to be disappointed with the members of the opposition.

Mr Shorten interjecting—

The SPEAKER: The Leader of the Opposition will desist.

Mr HARTSUYKER: On their watch, youth unemployment increased by 55,000. On their watch, the youth unemployment rate increased by almost 3 per cent. The coalition are focused on getting young people into work. The members opposite are just standing in the way.

The SPEAKER: Before I call the honourable Leader of the Opposition, I would say to him that the term he used towards the minister was unparliamentary. You are always insisting that people be addressed by their proper names; I would ask you to withdraw.

Mr Shorten: I withdraw.
Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:54): My question is to the Prime Minister. The Prime Minister has refused to guarantee today that Australia’s future nurses and scientists will not be saddled with higher fees and greater debts as a result of the budget you have just brought down. Will the Prime Minister at least guarantee young Australians that they will not be forced to choose between going to university or owning their own home as a result of his election lies?

A government member: He should withdraw lies, Madam Speaker.

The SPEAKER: The Prime Minister will resume his seat. Yesterday I asked you to withdraw the term ‘lies’ and to rephrase your question. I would ask you to do the same today.

Mr Snowdon interjecting—

The SPEAKER: The member for Lingiari.

Mr Shorten: I withdraw. I think we all know the question, Prime Minister. Will you guarantee at the very least that, because of your short-term budget, young Australians will not have to choose between going to university or being able to get a mortgage and own their own home in the future?

Mr ABBOTT (Warringah—Prime Minister) (14:55): I should make a number of points in response to the Leader of the Opposition’s question. First of all, we believe that the students and prospective students of Australia are more than capable of making decisions based on what is best for them and we also believe that universities of Australia are more than capable of making decisions on the basis of what is good for institutions and good for the students who attend those institutions. We do not believe that these people and these institutions are so inept, so self-centred and so incompetent that they cannot be trusted to look after their own futures. That is the first point I want to make.

The second point I want to make is that every dollar of any fees will be covered by FEE-HELP loans, as you would expect. These are probably the most advantageous loans that anyone will ever receive. The other point I want to make is that the FEE-HELP system is for the first time being extended to a whole range of educational institutions, including institutions that are providing diploma and other courses. We are extending the range of help available to students; we are extending help to a much wider range of students. I should also point out that what is good for university students—

Ms Owens interjecting—

The SPEAKER: The member for Parramatta.

Mr ABBOTT: should also be good for apprentices, and we are making loans available to apprentices on the same basis that we are making loans available to students.

The final point I make is: fair enough, the Leader of the Opposition is concerned about debts incurred by students but at least those students would be coming into it with their eyes open. What about the debt—

Opposition members interjecting—

The SPEAKER: There will be silence on my left.
Mr ABBOTT: What about the debt that the former government settled every Australian with? What about that debt? What about the $667 billion of debt that was just going up and up and up?

Honourable members interjecting—

The SPEAKER: There will be silence on my right and on my left. The Prime Minister will resume his seat. We will have silence and then the Prime Minister will have the call again to complete his answer.

Mr ABBOTT: How can the Leader of the Opposition be crying crocodile tears over debts faced by students, which they will have every ability to repay in a stronger economy, and have no interest whatsoever in the debt that the government in which he served ran up and up and endlessly up? No wonder no-one takes this opposition leader seriously.

Time expired

Foreign Aid

Mr TAYLOR (Hume) (14:59): My question is to the Minister for Foreign Affairs. Will the minister advise the House of the importance of making responsible decisions to ensure that the foreign aid budget is sustainable?

Ms JULIE BISHOP (Curtin—Minister for Foreign Affairs) (14:59): I thank the member for Hume for his question and note his interest in responsible fiscal management.

Honourable members interjecting—

The SPEAKER: There will be silence.

Ms JULIE BISHOP: The coalition is delivering a responsible, affordable, sustainable aid budget. We have stabilised the budget at $5 billion so no longer do we have a situation where increases are announced and then the budget is raided, as Labor did. In the last 15 months of the Labor government it announced $5.7 billion in increases and then took them away from the aid budget.

What we are doing is focusing on our region. We are not going to spread the aid budget so thinly that we are not delivering effective outcomes. We are reprioritising our aid budget. For example, we are increasing humanitarian programs by 28 per cent and we are increasing the emergency fund by 33 per cent. This is the fund that enables us to respond quickly to disasters like Typhoon Haiyan. This is the emergency fund that Labor raided to fill the hole in the border protection budget, making itself the third largest recipient of Australian aid. We are also increasing scholarships by 30 per cent.

Contrast this responsible approach with that of Labor—irresponsible, unaffordable and unsustainable. Not content with its legacy of debt, running up to $667 billion, the Deputy Leader of the Opposition says she is going to add $16 billion to the aid budget. Just where does she think she is going to get $16 billion from when they are already forcing us to borrow $1 billion a month? What fantasy world does she live in?

Honourable members interjecting—

The SPEAKER: Silence on my left and right!

Ms JULIE BISHOP: We have had a revelation about Labor's deepest fantasies. The Deputy Leader of the Opposition's mentor, the former Labor foreign minister, has revealed Labor's deepest fantasy.
Ms Plibersek interjecting—

The SPEAKER: The Deputy Leader of the Opposition will desist.

Ms JULIE BISHOP: I quote from his travelogue.

Mr Dreyfus: Tell us about the cuts.

The SPEAKER: The member for Isaacs is warned!

Ms JULIE BISHOP: I quote from today's Australian Financial Review: 'an indictment of the government I served in', says Bob Carr. 'It makes me toy with the opportunity I missed.' Bob Carr is the fiscally conservative Labor Prime Minister who might have maintained a dialogue with the Australian people about living within their means, not spending more than we have got.'

Ms Plibersek: Madam Speaker, I believe the question was about aid cuts. She should talk about the kids who will not get vaccines because of your aid cuts.

The SPEAKER: There is no point of order.

Honourable members interjecting—

The SPEAKER: There will be silence on my right and left! The minister has the call.

Ms JULIE BISHOP: So Bob Carr is fantasising. 'Bob Carr is a fiscally conservative Labor Prime Minister who might maintain a dialogue with the Australian people about living within our means, not spending more than we have got.'

Ms Plibersek interjecting—

The SPEAKER: The Deputy Leader of the Opposition will desist!

Ms Plibersek interjecting—

The SPEAKER: The member for Sydney is warned!

Ms JULIE BISHOP: Brave enough to wear the criticism of being a Liberal in Labor clothing.' That is what beats in the heart of every Labor member: having the courage to admit that we have got it right on reducing your debt. The Australian people elected us to pay off Labor's debt. You know that is right. You just do not have the courage to admit it.

Ms Plibersek: What about the kids who miss out on their vaccines?

The SPEAKER: The member for Sydney has been warned!

Ms Plibersek: She's a disgrace.

The SPEAKER: The member for Sydney will remove herself for one hour under standing order 94(a).

Ms Plibersek: She's a disgrace!

The SPEAKER: You will remove yourself under standing order 94(a).

The member for Sydney then left the chamber.

Government members interjecting—

The SPEAKER: Those on my right will desist!

**Vocational Education and Training**

Ms BIRD (Cunningham) (15:03): My question is to the Prime Minister. Does the Prime Minister agree with the industry minister that Tools for Your Trade payments were being
spent on tattoos and mag wheels? Is this why the Prime Minister cut funding for apprenticeships and training in the budget? Don't young Australians trying to get an apprenticeship deserve proper support, not cuts and not condescension?

Mr ABBOTT (Warringah—Prime Minister) (15:03): We have replaced one program with a better one. It is as simple as that. We have replaced one program with a better one and in the process we have substantially increased support for apprentices.

### Small Business

Mr LAUNDY (Reid) (15:04): My question is to my good friend the Minister for Small Business. He is aware of the 19,200 small businesses that operate in my electorate.

Opposition members interjecting—

The SPEAKER: There will be silence on my left!

Mr LAUNDY: He is aware of the 19,200 small businesses that I have in my electorate of Reid. Could he please explain to us how the government is supporting those small businesses not only in Reid but throughout every electorate in Australia?

Mr BILLSON (Dunkley—Minister for Small Business) (15:04): It is a pleasure to answer the member for Reid's question. I would be thrilled to explain how our Economic Action Strategy is supporting small business. The member for Reid shares the characteristic with so many on this side of the House. Small businesses and family enterprises run through our veins on this side of the House. As we have shaped that Economic Action Strategy to deal with the debt and deficit legacy, small business interests have been very much front of mind. And they had to be. Who could forget the 412,000 jobs lost in small business under Labor? They seemed to never miss an opportunity to hurt, harm and punish small business. We saw the small business share of private sector employment fall from 53 per cent to 43 per cent.

So as we shape this Economic Action Strategy, re-energising small business, giving those courageous men and women who mortgage their house to create opportunities for themselves and others, a fair go is crucial. I will give you one example. No small business could possibly accept Labor's argument that racking up debt and deficit, paying interest payments on your VISA card, is some strategy for the future. No small business or family enterprise could do that. They hope to hand on their family enterprise to the next generation. Do you think they could hand it on saddled with debt that just keeps growing and that needs to be paid for by a VISA card? Small business people understand that and that is why change was required. That change not only gets the budget back on track; it creates the economic conditions in the business environment to get small business again being the engine room of our economy, giving us the jobs growth, the chance to turn around that job loss that Labor oversaw in its office.

What have we offered? We have got tax cuts, the incentive of lower company tax, getting rid of the carbon tax that has been so punishing to the small business community and getting that infrastructure package going not only to shift commuters but to shift commerce to energise enterprise in our country. We have properly funded the ACCC. It seemed not to matter that small business needed the ACCC as consumers did. They ran that into the ground as well. We have unfair contract terms protections; improvements in government procurement; a chance to encourage people back into work, whether it is a mature aged
person looking to be a part of a small business; and the PPL program. What a great set of initiatives.

I know under the previous government no small business thought the previous Labor government was on their side, but I tell you what: with Labor's reaction to this plan to put our country back on track, they know the only friend small business and family enterprise have is the Abbott Liberal-National party government.

**Employment**

**Ms COLLINS** (Franklin) (15:07): Madam Speaker, my question is to the Prime Minister. Despite rising youth unemployment, the government has cut youth unemployment prevention programs such as Youth Connections, partnership brokers and national career advice in this budget. Prime Minister, aren't you making it harder for young people to find a job and then punishing them for being unemployed?

**Mr Hockey:** The least successful programs for youth unemployment rates.

**Ms Collins:** They were very successful!

_Opposition members interjecting_

**The SPEAKER:** There will be silence on my left! The question has been asked; now listen to the answer.

**Mr ABBOTT** (Warringah—Prime Minister) (15:07): The shadow minister opposite is unhappy about the changes to the funding of certain programs.

_Ms Collins interjecting_

**Mr ABBOTT:** I say to her: she is responsible. We had to save money because of the debt and deficit disaster that members opposite created. It is absolutely necessary—

**Ms Collins:** These programs worked. They were getting people jobs!

**The SPEAKER:** The member for Franklin has asked her question!

**Mr ABBOTT:** for the Commonwealth of Australia to live within its means. It is absolutely necessary for the Commonwealth of Australia to stop handing out money that it does not have and cannot sustainably borrow. It is absolutely necessary that we make responsible savings, including in this area. Because of the debt and deficit disaster that members opposite created some difficult decisions simply had to be made. We have not run away from the difficult decisions the way members opposite did consistently for six years.

What we have said to the young people of Australia is: 'Don't waste your life. Leave school and either improve your education or get a job.' Now isn't that a salutary and necessary message to the young people of Australia? It really does say something about the sad decline of the once great Labor Party. It is not so much the working class party; I am afraid this is a political party which is more interested in expanding the welfare system than it is in expanding the wage system. This really is one of the reasons why no-one can take this Labor Party seriously.

**Apprenticeships**

**Dr STONE** (Murray) (15:10): Madam Speaker, my question is to the Minister for Industry. Will the minister informed the House how the government will support apprentices so that they can complete their training and start working?
Mr IAN MACFARLANE (Groom—Minister for Industry) (15:11): I thank the member for Murray for her question and for her very strong interest in improving the lot of young people in particular, but skills and apprenticeships in general, in the electorate of Murray and the 10,300 businesses that operate in that electorate. And based on the question from the member for Cunningham, and also a media report this morning, this is a question that needs to be answered.

This government is committed to giving young people a better future in a job. That is what we are all about, that is what we are committed to. We are not whingeing Willies on this side; we are committed to making sure that young people get a chance. We are investing in apprenticeships and trainees. We have seen the Tools for Your Trade program, which just gave $5,500 willy-nilly to young apprentices, spent on all sorts of things—and, yes, we had reported to us by the apprenticeships centres that that money was being spent on tattoos. It was spent on a range of things, and that is not the way to teach people to be responsible with their money.

The trade support loans will supply $20,000 over four years to an apprentice and then, once they earn over $51,000, they will repay the loan interest-free—absolutely interest-free. The loans will be indexed annually, but they are interest-free. This is the most generous of the young training support loans around, and I am proud that our government has handed it down.

We saw this morning in the newspaper an erroneous report, and I feel sorry for the journalist who wrote that because he believed a line served up to him by the Greens that it would take people 50 years to repay the loan. That is simply rubbish! It highlights the financial illiteracy of those people in that party. The average time to repay a loan of this size, bearing in mind that 20 per cent of the loan gets written off once the apprentice finishes their course, is going to be around five to six years. This is there to support apprentices. On a simple calculation of interest not paid, which I have to do for the Greens because I know they cannot work it out, this system is worth more than twice as much as Tools for Your Trade and is a great thing for apprentices.

Mr Burke: Madam Speaker, I rise on a point of order: the minister just referred to analysis as to how long it would take those debts to be paid back. It is not published, and I would ask him to table it.

The SPEAKER: I ask the minister: is he referring to a confidential minute?

Mr IAN MACFARLANE: No, I was not. And I was not referring to analysis that is overly complicated.

Mr Burke: You made it up.

Mr IAN MACFARLANE: No, I did not make it up! That is based on what it would take to repay a loan under normal arrangements. If they want to get some advice, I suggest they go and get some financial advice because they certainly need it after the debt they left us!

Mr Abbott: Madam Speaker, I ask that further questions be placed on the Notice Paper.
COMMITTEES
Selection Committee
Report

The SPEAKER (15:14): I present report No. 8 of the Selection Committee relating to the consideration of committee and delegation business, and private members’ business on Monday, 2 June 2014. The report will be printed in the Hansard for today and the committee’s determinations will appear on tomorrow’s Notice Paper. Copies of the report have been placed on the table.

The report read as follows—

Report relating to the consideration of committee and delegation business and of private Members’ business

1. The committee met in private session on Tuesday, 27 May 2014.
2. The committee determined the order of precedence and times to be allotted for consideration of committee and delegation business and private Members’ business on Monday, 2 June 2014, as follows:

Items for House of Representatives Chamber (10.10 am to 12 noon)

COMMITTEE AND DELEGATION BUSINESS

Presentation and statements
1 Parliamentary Delegation:

Report of the Parliamentary Delegation to the Philippines, Malaysia and Brunei, 30 March to 10 April 2014.

The Committee determined that statements on the report may be made—all statements to conclude by 10.20 am.

Speech time limits—

Mr B. C. Scott—5 minutes.
Next Member speaking—5 minutes.
[Minimum number of proposed Members speaking = 2 x 5 mins]

PRIVATE MEMBERS’ BUSINESS

Notices
1 MS HALL: To move:

That this House:

(1) notes that:
   (a) Landcare is celebrating its 25th anniversary this year;
   (b) the keystones of Landcare are that it is community owned and driven and bi-partisan in nature, and it encourages integrated management of environmental assets with productive farmland and a more sustainable approach to private land management; and
   (c) 40 per cent of all farmers are involved in Landcare;
(2) Landcare has been working for over 25 years to:
   (a) improve our farmlands;
   (b) breathe new life into waterways;
   (c) improve the coastal environment;
   (d) restore native vegetation and wildlife habitats; and
(e) protect our urban environment; and
(3) condemns the Government for slashing almost $480 million from Landcare's budget. 

(Notice given 26 May 2014; amended 27 May 2014.)

Time allotted—20 minutes.

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

[Minimum number of proposed Members speaking = 4 x 5 mins]

The Committee determined that consideration of this should continue at a later hour in the Federation Chamber.

2 MRS GRIGGS: To move:

That this House notes that:

(1) there is a serious need for infrastructure and economic development in Australia's north;
(2) the Government wants to maximise Northern Australia's enormous untapped potential and the Prime Minister has adopted measures that will end years of Government inertia on developing this region;
(3) the terms of reference for the Northern Australia White Paper provide a foundation for a rigorous, well-defined and timely policy platform for promoting Northern Australia's development; and
(4) through its deliberations the Parliamentary Joint Select Committee on Northern Australia will contribute to the development of the White Paper with valuable feedback from stakeholders on the ground who have an interest in advancing the national interest.

(Notice given 17 March 2014.)

Time allotted—50 minutes.

Speech time limits—
Mrs Griggs—5 minutes.
Other Members—5 minutes each.

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

The Committee determined that consideration of this should continue on a future day.

3 MS PLIBERSEK: To move:

That this House:

(1) notes:
(a) the decisive victory in India's recent national election of the Bharatiya Janata Party, led by Shri Narendra Modi;
(b) India's achievement in building secular, democratic government since independence in 1947;
(c) the continuing improvements in living standards of the Indian people over recent decades; and
(d) India's growing role in international affairs; and
(2) calls on the Australian Government to move promptly to build a strong relationship with the new Indian Government.

Time allotted—remaining private Members' business time prior to 12 noon.

Speech time limits—
Ms Plibersek—5 minutes.
Other Members—5 minutes each.
[Minimum number of proposed Members speaking = 6 x 5 mins]

The Committee determined that consideration of this should continue on a future day.

Items for Federation Chamber (11 am to 1.30 pm)

PRIVATE MEMBERS’ BUSINESS

Orders of the day

1 High Speed Rail Planning Authority Bill 2013 (Mr Albanese): Second reading—Resumption of debate (from 9 December 2013):

Time allotted—5 minutes.
Speech time limits—
Mr Albanese—5 minutes.

[Minimum number of proposed Members speaking = 1 x 5 mins]

The Committee determined that consideration of this should continue on a future day.

2 Australian Education Amendment (School Funding Guarantee) Bill 2014 (Mr Shorten): Second reading—Resumption of debate (from 26 May 2014):

Time allotted—10 minutes.
Speech time limits—
All Members—5 minutes each.

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

The Committee determined that consideration of this should continue on a future day.

Notices

1 MR COLEMAN: To move:

That this House:

(1) notes that the National Broadband Network project was badly mismanaged by the previous government, and has:
   (a) caused a substantial amount of taxpayer funds to be wasted; and
   (b) led to a minute proportion of Australians actually being connected to the network; and
(2) recognises the plans of the Government to change the strategy of NBN Co. Limited, delivering a high quality service in substantially less time and at substantially less cost than would have occurred under Labor; and
(3) commends the Government on its approach to this important infrastructure project.

(Notice given 19 March 2014.)

Time allotted—45 minutes.

Mr Coleman—5 minutes.
Other Members—5 minutes each.

[Minimum number of proposed Members speaking = 9 x 5 mins]

The Committee determined that consideration of this should continue on a future day.

2 MS RISHWORTH: To move:

That this House:

(1) notes that National Palliative Care Week is being held between 25 May and 31 May, with this year's theme being Palliative care everyone's business: let's work together;
(2) recognises that with an ageing population in Australia the demand on palliative care services will increase, while also noting that palliative care is required by people of all ages;

(3) acknowledges:
   (a) that providing high quality palliative care in a range of settings including in the home is critical to ensuring that patients and their carers have their wishes respected; and
   (b) the important role of the health workforce, trained volunteers and all those who are involved in delivering quality palliative care; and

(4) calls on the Government to:
   (a) increase community awareness and understanding about palliative care and the importance of advance care planning; and
   (b) ensure adequate funding for palliative care services through both commonwealth and state and territory agreements, as well as through the National Palliative Care Program.

(Notice given 15 May 2014.)

Time allotted—30 minutes.

Ms Rishworth—5 minutes.

Other Members—5 minutes each.

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

The Committee determined that consideration of this should continue on a future day.

3 Mr Prentice: To move:

That this House:

(1) notes that:
   (a) the Prime Minister visited Papua New Guinea (PNG) from 21 to 23 March 2014;
   (b) this trip was the longest and most extensive visit by an Australian Prime Minister in almost a quarter century;
   (c) Prime Minister Abbott and Prime Minister O'Neill signed a new economic co-operation treaty; and
   (d) PNG plays a vital role in the regional approach to asylum seekers and preventing deaths at sea; and

(2) commends the Prime Minister for a successful visit which strengthened Australia's relationship with PNG.

(Notice given 27 March 2014.)

Time allotted—30 minutes.

Mrs Prentice—5 minutes.

Other Members—5 minutes each.

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

The Committee determined that consideration of this should continue on a future day.

3 LANDCARE: Resumption of debate on the motion of Ms Hall—That this House:

(1) notes that:
   (a) Landcare is celebrating its 25th anniversary this year;
   (b) the keystones of Landcare are that it is community owned and driven and bi-partisan in nature, and it encourages integrated management of environmental assets with productive farmland and a more sustainable approach to private land management; and
(c) 40 per cent of all farmers are involved in Landcare;

(2) Landcare has been working for over 25 years to:
   (a) improve our farmlands;
   (b) breathe new life into waterways;
   (c) improve the coastal environment;
   (d) restore native vegetation and wildlife habitats; and
   (e) protect our urban environment; and

(3) condemns the Government for slashing almost $480 million from Landcare's budget.
   (Notice given 26 May 2014; amended 27 May 2014.)

Time allotted—remaining private Members’ business time prior to 1.30 pm.
   All Members—5 minutes each.
   [Minimum number of proposed Members speaking = 6 x 5 mins]
   The Committee determined that consideration of this should continue on a future day.

AUDITOR-GENERAL’S REPORTS

Report No. 32 of 2013-14


Ordered that the report be made a parliamentary paper.

PERSONAL EXPLANATIONS

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (15:15): Madam Speaker, I wish to make a personal explanation.

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

Mr SHORTEN: Yes.

The SPEAKER: Please proceed.

Mr SHORTEN: During question time the Prime Minister claimed I was responsible for a cut to the budget at CSIRO equal to the Prime Minister's recent cuts. This claim is wrong. The facts are that over the course of the last Labor administration the budget increased from $675 million to $757 million, a 12 per cent increase. In addition, overall science and innovation spending over the course of the Labor government increased by 30 per cent. Lastly, the CSIRO is funded through the industry portfolio, not the education portfolio, which I held.

DOCUMENTS

Presentation

Mr PYNE (Sturt—Leader of the House and Minister for Education) (15:16): Documents are presented as listed in the schedule circulated to honourable members. Details of the documents will be recorded in the Votes and Proceedings.
MATTERS OF PUBLIC IMPORTANCE

Education

The SPEAKER (15:17): I have received a letter from the honourable member for Adelaide proposing that a definite matter of public importance be submitted to the House for discussion, namely:

The Government's unfair attacks on education, training, opportunities and support for young people.

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

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

Ms KATE ELLIS (Adelaide) (15:17): Despite what we heard from the Prime Minister in question time today, we on this side of the House absolutely believe that no country has ever gotten smarter, has ever become more equal or more prosperous by putting up barriers to education. We on this side of the House know that an investment in education is in fact the smartest investment this country can make. We know that this government's $5 billion in cuts to higher education will damage our universities, will damage our research capacity, will damage our economy but, importantly, it will also damage the opportunities and the prospects that young Australians have today, which is the subject of this matter of public importance.

Today in this matter of public importance we make absolutely clear that Labor will not support a system of higher fees, we will not support a system of bigger student debt, and we will absolutely not support a system of reduced access and greater inequality in our higher education system, as this government and that minister would put forward.

We recognise that the Prime Minister and the Minister for Education can say whatever they like when they come into this parliament and try and spin their stories and tell us that black is white. We on this side of the House absolutely recognise that there is no question that it will deter some people from going to higher education, if what they are being asked to do is to shoulder a greater debt than they or their families have ever encountered before. Of course it will. It will shut the door to higher education and to a university degree to those individuals not because of their capacities, not because of the number of brain cells they have, but because of the weight of their and their parents' wallets. That is what those opposite put forward and that is what we absolutely reject.

No-one can deny that deregulation will mean fee increases right across the board. The Prime Minister today admitted that in question time. We will see fee increases go up at each university right across the board. What this will do is that it will mean an end to fairness, an end to equity in our higher education system and it will undo generations of reforms which have been based on trying to make sure that the young people of today have greater opportunities than their parents and the grandparents—not the other way around. The Whitlam and Hawke reforms—gone. Getting 100,000 extra students into our universities under the last Labor government—gone. This is why we will absolutely vote against the government's cuts to university funding and to student support.

This is a government that we hear over and over again is obsessed by the ideas of debt and deficit. It is a deeply spurious claim, given that they themselves doubled the size of the deficit as soon as they came to office. We know that they are all talk; we know that they are all spin. But they continue with this spin despite doubling the deficit when they came to office. But
what are they proposing to do right now? They are proposing to put on the shoulders of young Australians who aspire to get a great education more debt than any generation before them has faced. What they are doing right now is driving up the debt of every student at university now and every student in the future. Students will be charged more for their degree, they will then be charged more in interest on their degree, and they will then be made to pay it back sooner than they otherwise would of. They are hitting young Australians and hitting them again and again. None of them opposite can deny this because it is their proposal, it is their vision for higher education. We will not share that vision.

Combined with the government's $5 billion in cuts to higher education, deregulating fees will see universities asking how much they can charge students and not how best can they educate students. This government has put absolutely no ceiling on how much a degree will cost. In question time today the Prime Minister was unable to guarantee that science degrees would not go through the roof; he was unable to guarantee that the cost of getting a nursing degree would not increase so that it was bigger than the starting salary of a nurse, and he was not able to guarantee that it would take a mother up to 36 years to pay off her university degree. That is what those opposite are defending. No guarantees, no caps, no limits to the amount of debt that you can place individually on the shoulders of young Australians.

So those opposite should not talk to me about debt and deficit. They should not talk to me about that when they come in here and ask 17-year-olds to take on debts of over $100,000 for the simple task of going to university. That is what those on the other side of the chamber are asking. Those young students are not old enough to vote; they are not old enough to get a bank loan. The are not old enough to get a credit card but this government would see them have over $100,000 of debt on their shoulders. We will oppose that every step of the way.

Recent modelling has shown how fees will increase dramatically. Fees for courses in dentistry, medicine and veterinary science will triple to $180,000 or more. Education will go from $24,000 to $40,000 or more. Nursing will go from $18,000 up to $40,000. Those Nationals keeping their heads down low in the back row should know that this will make it harder for students from regional Australia to go to university, after the Labor government's reforms to open the doors and see more regional students flowing to universities.

We know that prices will rise. We know that the big, old, sandstone universities will be able to charge a premium for those students who can afford to buy into their alumni. Those universities will therefore have more resources. We know the consequences of that: it will create a US-style, two-tiered university system in Australia—or at least the perception of one. And it is not just the Labor Party that is saying that. The Vice-Chancellor of the Swinburne University of Technology has said:

... deregulation will inevitably lead to much higher fees for our students. ... Over time, full fee deregulation will lead to a higher education system characterised by the 'haves' and the 'have-nots'.

That is a vision which we reject. This would be to our entire nation's detriment. We believe that all of our universities are only as strong as each other. But the biggest impact—the real tragedy of this—will be on those who choose never to go to university at all as a result of these changes. We can expect that teenagers, 17-year-olds, will make decisions about potentially hundreds of thousands of dollars of debt. This government would load up these young Australians. As Sydney University Vice-Chancellor said:

It's the ordinary Australians that I think aren't getting enough of a guernsey in this conversation.
We agree. And we stick up for the ordinary Australians. We stand up in this chamber because we promote a higher education system which is accessed on merit, not based on your bank balance.

As if the extreme cost of a degree was not going to deter young people, students would have to start paying it back sooner and with much higher interest rates. We have seen that that will have the biggest impact on women. We heard in question time today about how, in Australia—where it is still women who do the majority of work associated with raising a family, the majority of caring and the majority of part-time work while they do that—a graduate who has time off work or who reduces her hours to have children will take an extra decade to repay her debt and will pay tens of thousands of dollars more in interest. In the early years of her family, this same graduate's debt will continue to spiral. In many cases it will grow to be even bigger than when she first finished her degree.

The Vice-Chancellor of Swinburne University of Technology has commented on this too, saying:

However, the proposal to index HELP debts at the long-term bond rate, up to an amount of 6%, instead of CPI, will lead to a rapid increase in individual debts. … This will disadvantage women more than men, who take longer to pay their HELP debt back. It will also disproportionately affect older individuals, people of lower socio-economic backgrounds and Indigenous students.

Those on the other side of the chamber must be very proud! They hit the weak; hit those that can least afford it.

With this Prime Minister we should not be surprised at efforts that will increase the gender pay gap in this country. It comes on the back of the minister who is sitting at the table, who has attacked and slashed the wages of the overly feminised industry of childcare workers. We have seen hits to age care workers. We have seen, time and time again, that this government will attack women disproportionately and make sure that they bear the brunt of these consequences.

But we also know that this whole nation benefits from us having an educated population. It is not about taking flowers and chocolates to your next-door neighbour; it is about recognising that we all benefit from having doctors, nurses, scientists, teachers, engineers and artists. In a globalised knowledge economy we, as a nation, need these skills to create jobs and to drive economic wealth. Everyone who does not go to university also benefits from the skills and capabilities of those who do. That is why we created a system where you get some personal benefit so you make a contribution—but it is balanced so that it does not deter people from going to university. Labor create this system and Labor members will stand up in this parliament and oppose any attacks which would see those who are the first in their families to access university having to close the door after them because their children will never afford it. (Time expired)

Ms LEY (Farrer—Assistant Minister for Education) (15:27): I am pleased to respond to the opposition on this afternoon's matter of public importance. It has been very hard, when listening to the opposition in parliament this week, to understand exactly what they believe in. I have listened to the member for Adelaide. I have listened to her often, and I still do not understand what drives her or what she believes in, in terms of the opposition's agenda for education, particularly the higher education portfolio.
But I picked out a couple of things that she said. She talked about driving up the debt of every student. I want to assure her that we care about the debt of every student, but we really care about the debt on the shoulders of every single Australian—man, woman and child—that this opposition has left this government to deal with. If the member for Adelaide cares about the debts of students she should care about the debts of every Australian.

The member for Adelaide also referred to a globalised knowledge economy. I cannot let that comment pass without making a very strong point in response. The point of the university reforms is to enable our students—our graduates—to operate and work in an integrated globalised world economy. Where are the children of many of the members in this place—the children aged 20-something? Many of them are overseas or are working for overseas multinational countries. Their jobs are linked inextricably with the jobs of every student studying at every higher education institution in the world. Unless we keep up we will fall behind. I am surprised, with the emphasis that Labor often has on quality, that they have not recognised that important point.

We should set the scene, because sometimes when people listen to debates in this place, we talk about money and scarce resources and the allocation of scarce resources—which is obviously what we do—and it is as if the money is there and we are just arguing about how to divide it up. It is as if we have different philosophical opinions on what we do with a certain pot of money. Yes we do, but the point to make here is that the money is not here. We have arrived in government with an enormous deficit that we have inherited from Labor. We have arrived in a position not of strength but of weakness and it is our job to turn that around. We are not competing on the same playing field that Labor imagines it is when it talks about the current budgetary situation, which it has airbrushed away as if it does not exist.

Ms Kate Ellis: Did you double it? Did you double the deficit?

Ms LEY: Member for Adelaide, I listened to you in silence and I promise I will not reflect on your university experience if you listen to me in silence. Labor delivered five record budget deficits. They left a further $123 billion in deficits for the next four years and their debt is costing Australians $1 billion a month in dead money.

Let us look at what we need to do and what we have said we will do, and how proud we are of the university reforms that we have mentioned, the higher education reforms that are part of our budget. This is not a defensive position, this is a positive forward-looking position, and this is in the interests of the Australian higher-education sector, students and the economy as a whole. For the first time ever the Australian government is supporting all Australian higher-education students, with all registered higher-education institutions, enrolled in diplomas and bachelor degrees, including advanced diplomas and associate degrees.

We know that diplomas and other pathway programs are a great way into university for many students, including those from low-income backgrounds. People who have not done that well at high school, and mature-age people wanting to move into a new job, will now have an opportunity to participate in this slightly different form of higher education, which will lead them into a positive pathway for the future, alongside our HECS style loans for apprentices, the Trade Support Loans—$20,000 loans to apprentices, with a significant reduction if they complete their course. That is what we want to see: abolishing the loan fees for HELP loans for vocational-education students and for undergraduate students with non-uni higher-education institutions.
Commonwealth scholarships will help students from low-SES backgrounds, Indigenous students and students from regional Australia. I highlight that point because the member for Adelaide talked about these measures as affecting and disadvantaging rural and regional students. I want to assure those listening—Labor does not bother to read the detail—that universities will need to invest one dollar of every five dollars that they receive in new scholarships, scholarships that they will offer rural and regional students, Indigenous students and disadvantaged students—Commonwealth scholarships that will support those students through their higher-education experience.

No-one needs to pay a dollar up-front. We have to keep repeating this. No-one needs to pay a dollar up-front. Frightening and scaremongering families who, I admit, are writing to me as the local member saying, 'I don't know if I can afford to send my child to university,' is ridiculous, because parents should not be paying the fees of their children at university. Even wealthy parents should not. Students should be paying their own way and they can and always will be able to, under our system, because no-one needs to pay a dollar up-front. You only make repayments when your income is over $50,000. Then you will have to pay a modest rate of interest on your repayments. So to say that you cannot afford to go to university is disingenuous at best and misleading and untruthful at worst. We know that university education is the best investment. I would agree with the opposition on that. I read a report in The New York Times this morning that priced the difference in lifetime earnings of someone with a university degree—or, as they say in the States, a college degree—at $500,000 and that is with much higher payments that American students pay for their university degrees.

I stand here and represent the students who will never go near the door of a university. Deputy Speaker Scott, they are the students from your electorate, from Western Queensland, from western New South Wales, from the rural electorates represented by the members on this side of the house who will never go near the door of the university, who will work in manufacturing, in factories, in retail, in modest jobs that will never earn the incomes of the graduates this Labor Party expects our taxes to support. If it is a matter of fairness, this is fundamentally fair.

If the member for Adelaide wants to talk about unfair attacks, she should look no further than the state that the Labor Party left vocational education and training in—a subject dear to my heart—dismantling our successful Australian technical colleges, putting in trade-training centres. I have now visited many of these. Many of them carry on something that does not prepare students for industry, does not make them ready for the workplace and does not actually meet their needs. In fact, in one high school students were studying tools by looking at photographs. In another, they had all their machinery set at the wrong level. We've gotta love our manual-arts teachers—we remember them from the old days—but they do not necessarily provide high-quality vocational training.

So we are fixing that up. We are fixing up Labor's mess. We have the states and territories around the table working on a plan that delivers students, in high school, Australian school based apprenticeships that lead to the world of work. We are linking students to real jobs in the real economy. We do believe in a strong VET-in-schools system. We do believe that it has to be industry focused. The subject of this MPI by the member for Adelaide was training, but she only talked about higher education. It is important that we do talk about training and I am
looking forward to the contribution of her colleague. It is vital that vocational courses provide that clear pathway to employment.

I visited Newman College—and I think the member for Lyne might be speaking in this debate—and was incredibly impressed by the way that the college prepared students for the world of work. They understood that Labor's trade-training-centre approach did not work, did not work in the real world, did not work for the students of that college and certainly was not in their interests. Reflecting on the approach we took, the key difference is that it is industry led, because we as the Liberal and National parties understand that if students leave school and are not ready for the world of work then an employer is not going to pick them up. An employer is not going to give them a job. And if they do not get a job 18 months later, they are unlikely to get a job in a hurry. We know that unless we put that a clear pathway in place we will let the students down.

Back to the context in which we are all operating today: Labor's debt and deficit. There is $1 billion of interest every month. Imagine what we could do with that money. Dead money. We saw the Commission of Audit report. If we implemented every single one of their recommendations—and the Treasurer said we will not and we have not—it would still take until 2023 to pay back Labor's debt. I know that is only on the government spending side and there is a taxation side—and, of course, we have got to keep that down—but I use that example to highlight the scale of the problem that we are here to fix. The Australian people can trust this government to do what we said we would do.

Ms BIRD (Cunningham) (15:37): I absolutely endorse the matter of public importance put forward by my colleague the member for Adelaide, and I am very proud to contribute to this debate as the shadow minister for vocational education and training. I would hate to ask those sitting on the opposite side at the moment to name their minister for vocational education, training and skills. I have not heard any yelling out of the actual name so far. I would suggest that is a pretty good indication of where their priority lies.

The particular matter of public importance is before us because, like my colleagues, I happen to believe that the vast majority of young people are not only very keen to get a job or to do the training they need to get a job but also are actively out there trying to do so in what can be a very tough environment for young people in the workforce. In my own area, in the Illawarra, we have a high level of youth unemployment. I actually have a lot of faith in the young people in my area that they are not just lounging around being lazy and not being bothered to get off their bums to go out and get some education or find a job. That is not what is going on. The reality is that the vast majority of them really do want a job—and it is tough out there.

Of course we support the importance of focusing on providing the education and pathways that young people need in order to get into those jobs. There is no argument about that. Of course, we support it. What we do not support is saying, 'If you don't comply, you can starve.' We do not support saying, 'If you've already done one qualification and you therefore are not entitled to free access to another qualification, we're going to cut your money off so that you have no chance of actually having the money to pay the fees that will be required for another qualification.'
We do not support the proposal that says, 'If you'd like to be an apprentice'—an entirely worthwhile ambition, according to the minister—and you are having some difficulty accessing an apprenticeship job, we'll cut the apprentice access program.' I have visited providers like the Motor Traders Association in Western Sydney who used and ran this program—the very program that provided the links and opportunities for disadvantaged young people to get into an apprenticeship. If people get into an apprenticeship it is really important that we help them and their employers support them getting through to completing that apprenticeship. But what do you do in government? You cut the apprentice mentoring program—the very program that worked with those young people and their employers to keep them in those jobs and get them through to completion.

We do not say, 'If you want to get the skills that you need in basic literacy, numeracy, computer skills, job-seeking skills and presentation'—thinking about how you need to deal with interviews and present yourself to get a job—we will just cut the programs that provided that training.' I visited Youth Connections in my area with the member for Throsby. I met a whole room of young people, sitting on computers, doing courses, talking to people about interviews they were going to and how to best answer questions and doing a bit of practice. It is a wonderful program with highly successful outcomes. What happened to that in the budget? What happened to that in the priority of connecting young people to jobs? Gone again!

Then I went along to a local function held by the Partnership Brokers. Again, this is in our community—local organisations and not-for-profit organisations all coming together and working with employers to connect young people to jobs. What happened to that in the budget? How does that fare under the government's claims that it wants to make sure young people get into education and training? Gone again!

This is the reality of a government that fundamentally does not trust young people, that fundamentally would rather attack their motives and their commitment to finding a job than put in place the funding and the programs that will deliver. I will answer the question that I started with. The minister who has responsibility for vocational educational and training and skills—for those on the opposite side who still, after four and a half minutes, have failed to find a name for him—is Minister Macfarlane. He thinks they waste their money on tattoos and mag wheels. Young people are better than that, and they deserve the support of the government—not the cheap attacks that they have seen on them and their opportunities in this budget.

Mrs PRENTICE (Ryan) (15:42): The Labor Party continue to deliberately mislead the Australian people. They repeat their scaremongering in the hope of being taken seriously.

Mr Mitchell: Mr Deputy Speaker, I rise on a point of order. We go through this every day. The term 'deliberately misleading' is unparliamentary and the member should withdraw.

The DEPUTY SPEAKER (Hon. BC Scott): Member for Ryan, use of the word 'deliberate' does determine that it is unparliamentary and I ask you to remove the word 'deliberate'.

Mrs PRENTICE: Okay. The Labor Party continue to deliberately scare the Australian people. They repeat their scaremongering in the hope of being taken seriously, and repeatedly they will achieve the same result: failure. The reality is that funding for education,
opportunities for young people and the quality of our schools, training institutions and universities are all going up under the coalition government. Those opposite must be on some powerful hallucinogens and living in an alternate universe if they cannot understand that the coalition government has, in fact, put more funding into schools than the previous Rudd-Gillard-Rudd governments did.

The coalition government is expanding opportunities for more people to study through our reforms to higher education. Australian universities will be able to compete with the best in the world by having the freedom to innovate, a greater ability to invest in world class research, and the capacity and flexibility to respond to the needs of students and business. Education is our fourth largest export—after coal, gold and iron ore. Our universities have been held back and are starting to be outdone by our neighbouring countries, meaning fewer students are coming to Australia and, therefore, billions of dollars annually are being removed from our economy.

The government's education plans will help our universities become more competitive with those in the United States and Europe. I would like to stress again that, contrary to the scaremongering by Labor and the Greens, the coalition has not cut any funding to schools. In fact, we have increased funding to schools by $1.2 billion in the forward estimates—after Labor snuck it out in the lead-up to the last election to hide the true state of their budget disaster.

The $50 billion dollars alluded to by Labor was never in the budget. It was a pie-in-the-sky pipedream of funding Australia could never afford and was never budgeted. The legacy of the Rudd-Gillard-Rudd governments is that we are now wasting $1 billion a month paying interest for their debt—money that would be better spent on health and education but, because of Labor's poor and reckless financial mismanagement, the priority must be to fix the economy. You cannot fix the economy without fixing the budget.

The coalition reforms to education mean that our nation has a future as a country with universities of such calibre as to rate in the top 20 worldwide—to be among the class of universities such as Harvard, Oxford and Cambridge. But it doesn't stop there. Not only are these reforms removing the glass ceiling for our top universities; they are allowing all of our universities to focus on delivering the courses and programs they do best.

These reforms will expand opportunities for students who would not otherwise have gone on to higher education. By expanding the demand-driven Commonwealth funding system for students studying for higher education diplomas, advanced diplomas and associate degrees, more students will have the opportunity to undertake the level of higher education that is right for them.

The massive expansion of the Commonwealth scholarships initiative will see more opportunities for students from low socio-economic backgrounds and from regional areas. For the first time in our nation's history, the Australian government will provide for all students in all higher education institutions, be they universities, colleges or those TAFEs registered as higher education providers, whether in the cities or the bush. Under these reforms, the days of Australians having a limited choice in high-quality education will be gone.

To be at the forefront of this new initiative to change our education system for the better is truly exciting, but these initiatives are being threatened by the small-mindedness and
selfishness of those opposite to stand in the way of improving our education system. On this side of the chamber, we believe in strengthening our education to provide our future generations of Australians greater opportunities and access to genuine world-class education.

We believe that it is our most fundamental duty as parents, adults and community leaders to give our children, our future generations, the best opportunities and best potential for success. It is a shame that those opposite want to deny these opportunities for future generations. They continue to stick their heads in the sand and deny that the reason the budget needs repair is as a direct result of their financial incompetence—the greatest financial deterioration in our country's history.

Ms LEY (Farrer—Assistant Minister for Education) (15:47): Mr Deputy Speaker, on indulgence: if I may just correct a remark that I made at the end of my MPI speech: I said that if we adopted every recommendation under the commission of audit, we would not pay back Labor's debt until 2023. In fact I was wrong: we would not run a surplus until 2023—an even more horrifying reflection on the size of that debt.

Ms COLLINS (Franklin) (15:48): What a load of rubbish we have heard from those opposite. They come in here and they talk about opportunity for young people when they are the ones reducing the opportunities for young people. They come in here and try and say that it is all Labor's fault. They are in government. They doubled the deficit in six months. They are the ones responsible for their own decisions. They are the ones responsible for cutting programs like Youth Connections. They are the ones responsible for the $80 billion cut to health and education so that young people right across the country will not be getting the education they want, deserve and will need for jobs. They are their cuts, and they need to take responsibility for them.

The people on this side, the opposition, do not accept this rhetoric about young people and we do not accept that they are genuine about opportunities for young people, because they could not possibly be, given what is in their budget. We heard from the last member that people are scared. Too right people are scared—they are not scared by what we are saying; they are scared by the budget. If they go out into their electorates and talk to people, that is what they will hear.

We have got teenagers terrified now about whether or not they are going to be able to afford to go to a university. They are terrified about going to a university—

Mrs Andrews: You're scaremongering.

Ms COLLINS: It's not my scaremongering; it's your budget that is the problem. It is your budget that is scaring people. It is really frightening people out there. Those young people are frightened and terrified about whether or not they are going to be able to afford an education.

What is worse, of course, about all of this is that we have heard that young people who don't have a job and can't find a job are going to have to live on nothing for six months when their Newstart is cut off—nothing: no income, no support, nothing for six months. People under 30—what are they supposed to do? Are they going to rely on their parents at 28?

Ms Scott: They can work for the dole.

Ms COLLINS: They are going to work for the dole, are they, the member for Lindsay? Work for the dole at 28 if they have already got a tertiary qualification or a trade certificate, are they? Is that what they are going to do? I think that they will really feel valued when they
have got a HECS debt and a degree and you are making them go and work for the dole, particularly given work for the dole—

Mr Mitchell interjecting—

Mrs Andrews: I would ask that Deputy Speaker Mitchell withdraw that unparliamentary term.

The DEPUTY SPEAKER (Mr Craig Kelly): If it would assist the House, I request the Deputy Speaker to withdraw.

Mr Mitchell: Mr Acting Deputy Speaker, I am happy to withdraw a term that was used for someone yelling out that is not—

The DEPUTY SPEAKER: I just ask you to withdraw.

Ms Collins: These 28-year-olds, who may have an electrician's or plumber's trade certificate or a university degree, will be relying on their parents or having to rely on charity to survive. What do they think this is going to do to those communities where there are not enough jobs for people? What do they actually think is going to happen?

We have got a whole range of community organisations out there saying what is going to happen, and they are saying that poverty and homelessness will increase. I hope you are really proud of that on the other side, because that is what your budget is going to do to people. It is not okay to say that people need to live on fresh air for six months of the year. What is worse is, if you analyse the budget, they could be living on fresh air for six months of more than one year; it could be six months of several years until they find a job—six months each and every year that they have to live on nothing. That is what you are doing to young people. You are hiking up their HECS fees so that they cannot afford to go to university. You are increasing their debt. You are denying them proper education. You have ripped money out of trade training centres.

Ms Ley: On a point of order, the member has been in the House long enough not to say the word 'you'.

The DEPUTY SPEAKER: I request the member for Franklin to direct her comments through the chair.

Ms Collins: Those opposite are obviously concerned and interrupting my flow. They are very concerned—and they should be concerned if they are not—that all this money is being ripped out of trade training centres, it is being ripped out of apprenticeships, it is being ripped out of schools and, of course, they are trying to put up HECS fees for students. It is not okay. If you really want opportunity in this country, if you really want to grow jobs, if you really want educated people in the future to innovate and to create more jobs in this country, they need proper support and proper programs. They need programs that work, like Youth Connections, which had an 80 per cent success rate for students who were disengaged. Why would you cut it? Because you do not understand what it does and you do not understand what your budget is doing. (Time expired)

Mr Simpkins (Cowan) (15:53): I appreciate the opportunity to speak on this MPI. We have just had the budget. Everybody knows it is not that popular. When you look around the country, people should be asking themselves: why did they do this, why did they have a budget which is that unpopular, why would they do that to themselves? It is about
accountability and responsibility. It is about looking into the future, looking at young people—like those young students up there in the gallery—being able to look them in the eye and say, 'No, you don't have to bear the responsibilities of the red-ink side of parliament and your children will not have to bear that responsibility,' because someone is going to stand up and start acting right now. The opposition over there, the last government—an organisation that was nothing but red ink—talk about their Building the Education Revolution which they presided over, a program which did nothing but revolve like money down a plug hole. Where was the response to the revolution they presided over? There has been nothing but a decline in our education outcomes compared to other countries.

What they provided us was red ink and generational debt, which someone has to act on. So when the rubber hits the road, someone needs to make decisions for this country to live within its means. Someone has to ask everybody to help pay for what was left to Australians and to future generations. That is where it all comes out in the end. No-one likes it. I am not happy that people in my electorate have to pay a little bit more or not get as much from the government because of the last six years of spending, borrowing and promises that would see this country, over 10 years, go to $667 billion in debt. Who can say there is no problem when $1 billion a month is required just to service the debt they left? Who can say that that is good or that that is appropriate? Something needs to happen. Someone needs to take responsibility. As I said yesterday in our party room, if doing the right thing for future generations costs me my position, then that is the way it should be. People should not just accept what the other side is saying—that there is no problem, you can keep on spending, you can keep getting everything you need.

If the red-ink side of politics got back into government, we would probably be up around the one trillion mark very quickly and how soon is that going to be paid off? I worry for future generations—not just the next two but after that as well. Someone has to take charge and someone needs to accept the responsibility. I am hoping that the Australian people will come along with this and will understand that something needs to be done. We just cannot go on backing a side which just talks about self-interest, which reaches out to people and says, 'You don't have to worry about it. You've got nothing to do with this. We can keep on going in the same way,' because it is just not true. The time has come.

What I like about the education spending in the budget is that the minister has been able to put $1.2 billion back into the schools budget to help Western Australian schools, Queensland schools and Northern Territory schools. So as we move through the forward estimates, contrary to the mendacious comments of the other side, the government have increased education spending. So what they say is not true when they criticise and talk about cuts. The budget has to be sustainable across the education portfolio and across all portfolios. One side is taking responsibility, realising that something needs to be done and not inflicting debt, deficit and lost opportunities on the next generation and the generation after that. Only one side is standing up for the future of this country, rather than those who betrayed the future of this country.

Mr MITCHELL (McEwen—Second Deputy Speaker) (15:58): I rise today to emphasise just how much this latest budget is going to impact the people of McEwen. It is always good to follow people such as the member opposite, the member for Cowan, who show absolutely no knowledge of what they are talking about. He talks about deficit, he talks about all these
things but fails to mention that, at the same time as they are cutting every bit of support for apprentices, forcing them into debt, they want to make sure that people earning over $300,000 get $50,000, $2,000 dollars a week, in paid parental leave. They talk about the size of the debt but they fail to mention that in the nine months they have been in government they have increased the debt by $67 billion. So when the intellectually bereft are over there saying, 'We're paying back Labor's $1 billion debt a month,' they put taxes on business to make sure that their millionaire mates can have babies and get $50,000 or, as it works out, $48 per hour in paid parental leave.

Let us go to the other end of the scale and look at what is happening with apprentices. I notice the minister is in here—and I do not actually mind her too much; she is not one of the bad ones. She said that we are only talking about education. Not one of the colleagues she gave her talking points to actually mentioned apprenticeships. Those opposite have no idea about what happens with apprenticeships. You only have to listen to the minister's words. She said, 'Most MP's children are either overseas or working in overseas companies.' I do not know what land they are living in over there, but most kids I know in our area are trying to get a job, trying to get an apprenticeship.

A government member interjecting—

Mr MITCHELL: The member for 'refugee boats on freeways' chips in. Let's look at how much industry support you have given young people since you have come to government. How many thousands of jobs have been lost in manufacturing and automotive and the airline industry since you came to government? You have walked away from looking after young people and their future. The only thing that the government have done is saddle young people, who may not have the silver spoon in their mouth like many opposite have, with a lifetime of debt. They have taken away the support for apprenticeships. Those opposite say, 'Young people, they're using their money for tattoos.' What an absolute joke.

I got an email from an RTO this morning. The printing industry is on its knees in this country because this government walks away from industry. It says to young people, 'Earn, learn or leave,' but for industry this government walked away. It does not support industry and it does not support young people. This RTO wrote talking about the tools of trade cuts that are already affecting his apprentices. He said, 'Basically, our apprentices signed a contract on the basis that they would receive funding over the term of $5,500.' What those opposite never mention is that they have cut the funding from 30 June. Apprentices already signed up are being left on the scrap heap. He also said:

Some of our apprentices have purchased tools and now they will be left out of pocket. The printing trade already has a skills shortage and this just makes it harder, especially in our regional areas.

A government member interjecting—

Mr MITCHELL: You're a printer? I have got four generations of printers in my family. It is a disgrace that you are allowing the industry to be punched offshore. Already out of that $5,500 they have to pay colleges $1,350 a year to do the course. That is not tattoos. That is not mag wheels. What is disgraceful is the way you expect young people to be left on their own.

Take a 29-year-old fella in, say, Sunbury with a couple of kids. Thanks to this government failing industry, he loses his job at Ford, through no fault of his own but through the
government failing to support industry and support jobs. He now has to say to his family: 'We can't pay the mortgage and we can't pay for food because I've got no job. And, by the way, thanks to the mean-spirited, deceitful government that we have in this country, I don't get any access to Newstart.' There is no support at all. They are left on their own and expected to fend for themselves. What do you think the outcome is going to be for those families and those young people who want to get ahead? This government rejects young people— *(Time expired)*

**Dr GILLESPIE** (Lyne) *(16:03)*: The attacks during this MPI on the government's education policy are quite hard to digest. The reality is the exact opposite of what has been espoused. The facts from the budget are that this government is spending $5.7 billion more on education over the forward estimates as a result of all the announcements in the budget. So how on earth can we be accused of cutting funds on education? The answer is: those opposite are just playing politics. Over the next four years, we will see recurrent funding for government and non-government schools increase by $4.6 billion to a record $64½ billion. If you recall, in the week before the 2013 election the then government, our current opposition, conveniently forgot about $1.2 billion for Queensland, the Northern Territory and Western Australia. We had to put that back in. In the budget there is $15.6 billion for universities this year which will continue to increase every year, including $11 billion over four years for university research.

In the trades and skills space, things have changed. People on the other side seem to have a problem with change. We are replacing an ineffective scheme with what should be a much better value scheme for apprentices—that is, the trade support loans, with $1.9 billion over four years. That will support their wage. They can use it in the way that they see fit and most productive. If they complete their apprenticeship, they get a 20 per cent discount on the money that they owe. So already they are almost getting the equivalent of the previous tools for tradies grant scheme. In question time, the minister for trade mentioned his department was getting advice that it was not being used widely, so that is why we have got this in place. It will support people. It will increase their ability to complete their apprenticeship. Overall there is a 50 per cent noncompletion rate in apprenticeships. In the first two years, 30 per cent drop out. Trade support loans should address the ability for apprentices to support themselves as well as getting their tools of trade.

There is a billion dollars for the Adult Migrant English Program. There is $250 million for industry workforce training and many other initiatives. But you have to look at the likelihood of getting an apprenticeship and I have spoken to a lot of the small businesses in my area in Lyne over the last eight or nine months. The changes that came through Fair Work last year, which were hailed as a boost for apprentices, saw an increase of about $100 a week for apprentices. It sounds good. I can understand why an existing apprentice would have thought his Christmases had all come at once. I would be happy, too. But it meant that these businesses subsequently said there was no way they could afford to put on any more apprentices. There are consequences for every action. This trade support loan will allow apprentices to support themselves over their apprenticeship in a way that they have not been able to do until now.

Let us quickly talk about higher education. I mentioned change. Things are changing in higher education. It is changing the way higher education is funded. Most people do not
realise that the Commonwealth government already supports on average 60 per cent of the cost of a university degree. But only 30 per cent of the population go to university, and they end up with a higher income as a result. We are trying to increase the number of people that go to university by supporting, with Commonwealth supported funds, other educational institutions with diplomas, associate diplomas and associate degrees. Hopefully another 80,000 more people can get to university. It will mean that there is greater competition between the universities so that the product is better and more sustainable. The Commonwealth supported scholarships will come as a result of the extra funding. One in five dollars of the extra funds raised by universities has to go to Commonwealth supported places. (Time expired)

Ms CHESTERS (Bendigo) (16:08): I was the first in my family to go to university. At the time I started my university courses my mother was a cleaner and my father was a mechanic. We were one of those working-class families where my parents decided, 'Our girls will go to university.' But of course they did not have the economic means to support all of us, so we worked and supported ourselves through university. The university I went to—I grew up in a regional area and I moved from the country to the city—was the University of Queensland, which is in the member for Ryan's electorate. I can remember when I first enrolled and started at university in 1999. The big debate back then was about the Howard government reforms to higher education.

Every time the Liberals and the coalition get elected they attack universities. They attack students who choose to go to universities and they look at increasing fees. At that time, Howard, as bold as he was, tripled HECS fees. But he did not proceed with completely deregulating university fees. At the time, he cut university funding, but not at the level that this current government is cutting funding at. At the time, he tried to introduce—and he did successfully, after many battles—up-front fees. What we saw at the University of Queensland and Melbourne University with the introduction of up-front fees, where it was not about your brains but about your wallet, was the introduction of $100,000 degrees. So to sit there and say it is not going to happen is being delusional because it did happen the last time the Liberals had the power.

This is what Liberals do when they get in. They do not consider seriously the implications for people from regional areas trying to gain a university education. The Abbott government's first budget marks the end of a fair and affordable higher education system, and it is a betrayal to students and their families. This budget is forcing young people to make a choice and forcing their families to make a choice. Will they choose to go to university or will they buy their first home? This is not just about the working-class families. This is also about the middle-class families. Parents will start to ask themselves whether they can afford to support their students and pay for their young people to go to private schools. Will they save that money to pay for their universities? Start to think about what happens throughout the education system if your university fees will be the cost of a private school education in some schools.

Low-income earners, rural students and regional students will all be hit hard by these changes. More than $5 billion have been cut from higher education, and it is not okay. This is not something we are just making up and scaremongering about. This is something that
people in our communities know about. Just some of the comments that I have received in my regional electorate of Bendigo include this one from Rozi in Kyneton:

I am not writing out of self-interest—I've finished my university education.

I am writing because I am concerned that these policies will create a two-class system in our universities and make it impossible to go to better universities if their parents are not wealthy.

This is from Rachael, a La Trobe University current student:

I am writing on behalf of myself and a group of my friends who have just started university ...

We are aged from 18-22 and are all completely outraged at Tony Abbott's proposed cuts to education.

Rachel says she and her friends worry about their brothers and sisters who are younger, and that they may not go to university because of the comparative cost of their fees. She goes on:

Most of us were already concerned about the debt our courses would accrue, but some of my friends have talked of dropping out if Abbott gets his appalling education budget through.

These are not my words. These are the words of my community.

Ms Scott interjecting—

Mr Fitzgibbon: You are out of your seat.

Ms CHESTERS: Who goes to the Bendigo La Trobe University? Twenty-five per cent of the people at the Bendigo La Trobe University are from low socioeconomic backgrounds. They are Jarrod, they are Kate, they are Jacob. They are people who cannot afford to move away, because of their family budgets. This budget, the funding cuts to universities, the way in which fees will be increased, will hit them hardest.

Finally there is this idea about 60 per cent paying for it. Once you have a university degree, you are a taxpayer and you contribute towards the next generation of taxpayers. So stop with the misleading truths and let us focus on getting—(Time expired)

Mr Fitzgibbon: I understand she is a new member and may not have been here for all that long either, but it would be helpful if you could advise the member for Lindsay that it is inappropriate to be interjecting outside of her normal place.

The DEPUTY SPEAKER (Mr Craig Kelly): The member for Lindsay should be aware that if she wishes to interject she should be in her place.

Mrs WICKS (Robertson) (16:14): I welcome the opportunity to speak on this matter of public importance today because, far from what members on the opposite side are trying to promulgate, I am proud to be part of a government that is providing even more hope and more opportunity for our young people, especially our young people on the Central Coast.

We all agree that young people are the future of our nation. Providing better educational and training policies that invest in their potential and their own personal aspirations, dreams and hopes is key to ensuring that our young people have the best possible tools at their disposal to carve their own path of success through life. And that is exactly what we are doing. This budget is a blueprint for that hope and is a path forward to create exactly what we committed to deliver in the lead-up to the election.

Unlike what those opposite might believe, this government is investing a record amount of $64.5 billion in recurrent funding for schools over the next four years. We know that, while funding is important, it is not the only factor to lift student results.
Quality teachers, increased autonomy, a rigorous and high-quality curriculum, and increased parental engagement are key. I am proud to say that I have visited many schools in my electorate on the Central Coast and I see evidence of the benefits of these important factors in improving educational outcomes for our young people. This focus on quality outcomes extends to the skills and training sector.

One of the key pieces of feedback in a roundtable forum we held in Gosford recently related to the difficulties associated with Labor's failed $2.1 billion Productivity Placements Programme. Reducing red tape and streamlining access to programs were also key points raised, something we are determined to tackle.

We are investing more than $5 billion in skills over the next four years to secure the future of the Australian economy, which includes $1.9 billion for our trade support loans and $250 million for industry workforce training and much more.

For the first time ever, the Commonwealth will provide direct financial support for all students studying for higher education diplomas, advanced diplomas and associate degrees with all registered higher education institutions. In addition, young people will now have access to fantastic new Commonwealth scholarships for university students from low socioeconomic status backgrounds, thanks to this government's positive investment in the future of young Australians.

I am determined that the Central Coast be a place of opportunity and that our region be the home of world-class education, training and opportunity. This budget is a blueprint for how we can begin to realise this dream.

It is an honour to represent a government in my local community that, in just nine months, is already delivering our growth plan for the Central Coast, delivering more jobs and job opportunities for young people, with the location of 600 Commonwealth jobs right in the heart of Gosford. Imagine what that will do for young people here on the Central Coast!

The reality is that none of Labor's youth programs were actually linked to any measurable outcomes for educational improvement. Labor did not provide any further funding or budget allocation for various youth programs. I support the government's budget. (Time expired)

The DEPUTY SPEAKER (Mr Craig Kelly): The time allotted for this discussion has expired.

BILLS

Environment Protection and Biodiversity Conservation Amendment (Cost Recovery) Bill 2014
Second Reading

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

to which the following amendment was moved:

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

"whilst not declining to give the Bill a second reading the House notes:

(1) the Government's poor environmental record;
(2) the importance of protecting Australia's rich and diverse environment;
the need to fully examine the range of changes proposed to the Environment Protection and Biodiversity Conservation Act since September 2013; and

(4) the lack of assurance from the Government about the future management and protection of our natural environment."

Mr HAWKE (Mitchell) (16:18): This is a good opportunity to speak on the Environment Protection and Biodiversity Conservation Amendment (Cost Recovery) Bill 2014 as it gives me the chance to speak about the government's deregulation agenda in relation to green tape and the one-stop shops that the Minister for the Environment and the government are pursuing.

It is a shame that the shadow minister for the environment is still not here. He was in the chamber when he moved his amendment to the proposed bill, which included what I see as the problem with the Australian Labor Party's approach to environmental protection and indeed cost recovery. In one breath he said that he agreed with the inherent concepts in this bill of cost recovery for the assessment acts of the federal government in relation to environmental approvals. Then, in the same breath, he moved an amendment, very emotionally and subjectively, condemning the Abbott government's hideous record on the environment over the last eight months, opening up this debate to an entirely different interpretation and construct. It was really in the same vein as the Australian Greens, who continuously argue that, since the election of the Abbott government, the planet has somehow got warmer, that somehow things in the environment are so much worse off and under threat because of the election of a coalition government, which of course is absolute nonsense, given that we are not even able to effect our key election commitment of abolishing the carbon tax. Nothing has changed. Nothing has changed in relation to the environment or approvals and yet the shadow minister had the hide to refer to— and these are his direct words— 'environmental atrocities'. But of course he did not go on to outline any environmental atrocities. He did not have anything to refer to. The colouring of this debate, the constant language used by those opposite and the subjective nonsense that has no correlation with anything in reality demeans the debate about the protection of the environment.

There is no doubt that, when you look into the layers of regulation that overlay environmental approvals in Australia, you see we have duplicate regulation. We have state and territory and Commonwealth legislation that overlaps, that slows down legitimate business, pro-environment business, responsibly conducted business for the environment, with no meaningful benefit for the environment. That is why the government is moving to a one-stop shop model. The one-stop shop will provide certainty, which will then allow for us to introduce a bill such as this for legitimate and proper cost recovery for Commonwealth environmental assessments. There will be greater certainty that, if you go through one rigorous process of assessment for your project, you will not have to then go through other hoops and other layers of government regulation. That certainty will allow for legitimate cost recovery.

This bill will specifically allow cost recovery for environmental impact assessments and approvals. I note that the EPBC Act in its original form was supposed to have that provision in there. I think that is a very interesting point. When the legislation was introduced, provisions for cost recovery should have been included but were not. We are delivering on the original intent of the act, as it was originally introduced. I think that is a key point because
this is not, as some have been claiming, an onerous expansion; it is part of the government's green tape deregulation agenda. We have been signing memorandums of understanding with each of the willing states. The bilateral agreements and assessments are well underway and agreement on the bilateral approvals is within 12 months. Most of the jurisdictions which have already signed are well along the pathway to meeting all of those deadlines and requirements. By eliminating this unnecessary duplication of regulation we are going to ensure a more timely approval and assessment process and enable businesses to expedite their work and, importantly, maintain the current high standards of environmental protection.

I also chair for this House the House environment committee and we are currently conducting inquiry into the green tape and one-stop shop situation and the adequacy of regulation in Australia. Without pre-empting any of our discussions or findings at this stage, I would say that we are receiving lots of evidence from businesses, from environmental bodies, peak groups, all around the nation that highlights many examples—many ridiculous examples, if I were to put them to this House today—of overregulation and jumping through the same hoops for no environmental benefit. It is not unreasonable to say we want to streamline these approval and assessment processes so that everybody understands what basis they are applying on, what the rules are, what the protections need to be and improve the outcomes for business.

I note that the shadow minister for the environment, who moved the amendment regarding the Abbott government's record in its very short tenure in government, is from South Australia. He is a member of the South Australian Left. He spoke about the Franklin Dam and the great work there but he did not speak about the Olympic Dam in his home state. He did not speak about how Olympic Dam had been lost by a Labor government which he supported because of the length of time it does take in this country to often get key investment projects like big mines approved. We lost that massive investment for a state like South Australia. The shadow minister might look at this fact rather than talking about environmental atrocities, that youth unemployment is peaking in North Adelaide at 20 per cent, the state's finances are a mess and the government is doing nothing to encourage the investment needed and is taking this subjective language approach that the shadow minister takes, that there are environmental atrocities going on since Tony Abbott got elected. What a complete load of nonsense. What emotive and irrational material is the Labor Party bringing to this chamber.

This is a cost recovery bill about streamlining green tape approval so that we have one rigorous assessment process in Australia. It is a good measure. It is a measure that the shadow minister himself said he was taking credit for. He said, 'Yes, we were already working on this.' He is very right about that. They had thought about it, they had done a little bit of work on it. But of course as usual with a Labor government nothing happened: there was no meaningful progress towards an outcome that would benefit the environment and business. So the Abbott government is simply moving at a strong pace to ensure that we do have one-stop shops. We have signed these agreements with willing states and the bilateral agreement process is well underway.

When you look through the provisions of this bill it is good to note that the shadow minister agrees in particular with the intentions of it, so there was no need to move an amendment saying this is the worst ever government for the environment. That is a ridiculous amendment. It is pious, it is a load of nonsense. It is not the case that in the very short tenure...
of this government any environmental protections have been removed or any changes have occurred that are detrimental to the environment. Streamlining duplication in legislation is not removing environmental protections. That is no protection at all, it just clogs up our business and commercial activity for no environmental benefit. So it is a ridiculous move for the shadow minister to introduce it. He said he wanted to proceed with bipartisanship. Let us proceed with bipartisanship on this important area and let us not talk about environmental atrocities without naming any. 'Environmental atrocities' is really an unacceptable term for him to use in the same breath as 'bipartisan' and he should revisit his approach.

When you look through these provisions you do see that the minister and the government have well thought through the different regulations and the structure and the scheme that will apply to cost recovery. It is important to note, as the minister pointed out, that environmental impact assessment fees will be specified in the regulations except for those fees in relation to assessment by an inquiry or a strategic assessment. The bill will provide for a process for proponents to apply for a reconsideration of the way in which a method was used to calculate fees, again a reasonable and balanced approach to cost recovery which allows for the proponents to have an opportunity of anything they considered to be unfair or they do not understand the calculations.

I think this is a well-considered set of measures. I am a strong supporter of the government's approach in relation to one-stop shops and improving the assessment process at the Commonwealth and state level, particularly ensuring that our key industries and businesses do not have to jump through the same hoops for no environmental benefit, slowing down our economy and slowing down job creation. It would well behove the Labor Party if they do support cost recovery as a simple mechanism of government in relation to important areas like environmental protection that they simply support it, not try and move these silly, subjective, nonsensical amendments that say this is a worst ever government for the environment. It demeanes the debate, it adds nothing to our national polity and I think it also detracts from the important work of this government in ensuring that we have single assessment processes for business in relation to environmental protection. I strongly support cost recovery and this amendment to the act.

Mr KELVIN THOMSON (Wills) (16:28): I am very pleased to support the shadow minister's second reading amendment. Let me observe that the principle of this bill is sound. It allows for proponents of development to contribute to the cost of assessment and development of the application process by the Commonwealth. Fees can be charged on a cost-recovery basis for regulatory activities undertaken by the environment department and the Minister for the Environment. The full suite of regulatory activities to which this applies will be specified, along with the fee schedule or formula, in the Environment Protection and Biodiversity Conservation Regulations. The bill will enable the regulations to specify administrative process and requirements for applications, payments, refunds, exemptions and waivers. The provisions of the bill, and even more so the second reading amendment moved by the shadow environment minister, invite us to look at how effective the EPBC Act has been. In the first place, I draw to the attention of the House the objects of the act, in particular sections 3A(c) and (d), which provide:

(c) the principle of inter-generational equity—that the present generation should ensure that the health, diversity and productivity of the environment is maintained or enhanced for the benefit of future generations;
(d) the conservation of biological diversity and ecological integrity should be a fundamental consideration in decision-making;

Unfortunately the reality is that these objects have not been realised in practice.

Everywhere you look our unique and beautiful wildlife is in decline. Whether it is our albatrosses and other seabirds in decline from longline fishing or our migratory shorebirds in decline from the destruction of coastal habitat both overseas and here, whether it is koalas in south-eastern Queensland being belted by urban sprawl, whether it is native animals in northern Australia disappearing as a result of fires or cane toads, or whether it is woodland birds disappearing from land clearing and fence-to-fence agriculture, right around Australia our wildlife is in decline.

Not long ago I outlined to the parliament the sad fate of a dozen of Australia’s brilliantly coloured parrots and cockatoos, reduced to numbers so low we can count them individually—some in the hundreds, some even less than 100. In total, with almost 1,200 plant species and 343 species of animals considered endangered or vulnerable, the rates of species extinction in Australia are amongst the worst on the planet. The most recent Commonwealth State of the Environment report 2011 showed the highest numbers of threatened species occur in the more densely populated areas, particularly the east coast and the south-west of Western Australia. Since European settlement 18 species of endemic mammals have become extinct, representing seven per cent of the total. About 100 species of plants have become extinct, the majority having occurred in areas cleared for farming.

It is astonishing to me, given this unhappy picture, that the government is looking to water down and reduce environmental protections. It regularly throws around disparaging terms like ‘red tape’ or ‘green tape’ to undermine the only things standing between many of our most beautiful species and extinction. One of the things the government intends to do is to delegate as many environmental approvals as it can to the states. Given this intention, a key question is: how adequate are the state environmental laws to do the job the EPBC Act is supposed to do, as I outlined earlier, to ensure that the health and diversity of the environment is maintained for the benefit of future generations?

In answering this question I am indebted to work prepared by the Australian Network of Environmental Defender’s Offices for the Places You Love Alliance, which was provided to me by Saffron Zomer of the Australian Conservation Foundation. This extensive analysis concluded that the state environment protection laws are not being effectively implemented. Interim conservation orders and management plans are not being utilised in Victoria. No native plants have been declared prescribed species on private land in South Australia. No critical habitats have been listed and no interim protection orders have been declared in Tasmania. No essential habitat declarations have been made in the Northern Territory. Across the board, key provisions are often discretionary. Critical tools such as recovery plans and threat abatement plans are not mandatory. Time frames for action and performance indicators are largely absent. Key weaknesses include inadequate resourcing for recovery and threat abatement planning; excessive ministerial discretions; and threatened species considerations can be overridden by state planning and development laws.

Given these serious shortcomings of state environmental protection legislation, the Commonwealth has no business—repeat, no business—delegating environmental assessments
or approvals to the states. We will be failing in our duty to our children and grandchildren if we vacate this field.

I recently met with UNESCO World Heritage staff and expressed the view to them that the Liberal government's attempts to amend the World Heritage boundaries should be rejected. It was with some relief that I heard the World Heritage Committee has been advised to reject a bid by the federal government to delist 74,000 hectares of forest in Tasmania. Last year 172,000 hectares was added to Tasmania's World Heritage area under the state's forest peace deal. But the federal government said the boundary extension had been rushed through and was therefore not valid. It wanted 74,000 hectares delisted, claiming it had been degraded from past logging and should be opened up to forestry.

But a draft decision released in Paris on 16 May recommended the World Heritage Committee not approve changes to the boundaries. That draft decision is based on two reports by conservation bodies. The first is from the International Union for Conservation of Nature, which said the federal government's submission to the World Heritage Committee contained 'no detailed justifications or explanations' and only 'simple statements' that the area had been logged. Its report said that just 10 per cent of the area in question had previously been logged. The World Heritage Committee was also advised that, if the boundaries were reduced, important Aboriginal heritage could be excluded. This is a humiliating slap in the face for the Liberal government, as it should be, as the claim was always fraudulent that this area had been degraded.

Australia has been among the strongest supporters of the World Heritage convention for 40 years under governments of different colours, so the Liberal government's efforts to trash our reputation in this area are truly astounding. The request of the Liberal government is environmental vandalism of outstanding universal value forests and presents a danger to the environmental integrity of the whole Tasmanian World Heritage area.

The government has claimed that 74,000 hectares of the 170,000 hectares inscribed last year are not of outstanding universal value because of the extent of the damage from past logging. However, only 10 per cent of the 74,000 hectares proposed for removal has been disturbed and less than four per cent of the area has suffered major disturbance from logging. I have been advised that 90 per cent of the area is in excellent condition. In fact, provision was made by the previous, Labor government for the restoration of these disturbed areas to maximise the outstanding universal value of the forested extension. The provision to include restoration areas in World Heritage sites was welcomed by the International Union for Conservation of Nature and the World Heritage Committee.

A prominent World Heritage consultant, Peter Hitchcock, who was a key adviser on the original Tasmanian World Heritage nomination back in 1989, has questioned the claim that some of it is not worth protecting, saying that about 90 per cent of the land is outstanding eucalyptus forest that has never been logged. He said:

'Some of it is some of the most outstanding forests in the country, if not in the planet …

'So the great majority of the area that is being proposed to be removed from the World Heritage Area is in fact unlogged forest, and much of it with important conservation values.'

As I indicated earlier, Labor does not support in any shape or form the process in train under this government to delegate approval of environmental matters to the states or to local governments. As the Places You Love alliance points outs—and I was pleased today to part of
a briefing by environmental law expert Adjunct Professor Rob Fowler on these matters—for more than 40 years, the Australian government has led the way on environmental protection. Indeed, the Howard government’s Environment Protection and Biodiversity Conservation Act 1999 was created because Australians expect the federal government to protect our great natural places and wildlife, and their quality of life.

Furthermore, what is being referred to as a one-stop shop is actually an eight-stop shop involving each of the states and territories. This approach will undoubtedly create uncertainty for business and eventually undermine investor confidence. This fundamentally flawed policy will give us eight separate and different outcomes. There will be bilateral agreements between the federal government and each individual state and territory that rely on their inadequate and completely different legislative and regulatory regimes. The accreditation of state or territory laws that do not meet minimum requirements will put at risk matters of national environmental significance, could well breach our international obligations and will possibly expose the Commonwealth to legal liability. The stated intention of this policy is to reduce the regulatory burden but, in fact, it does the opposite, increasing regulatory obligations for business and increasing risk for all.

In addition, state and territory governments do not assess development proposals with the national interest in mind. Conflicts of interest are of great concern. States are reliant on royalties and other income from large development projects and, in some cases, are the actual proponents of them. The states do not have the capacity to adequately assess projects that include matters of national environmental significance, and there is ample evidence that the states and territories fail in even the most basic elements of ensuring that environmental compliance is delivered. The dereliction of state governments is highly pertinent. If it were not for the Hawke government back in 1983, the pristine Franklin River in Tasmania would now be a dam. If it were not for that national government, we would have had sand mining on Fraser Island; the Daintree rainforest would have been logged; and the Great Barrier Reef would have been drilled for oil.

The Australian community expects the federal government to safeguard our environment for present and future generations. The eight-stop-shop model is neither efficient nor effective. It creates unreasonable risk for government, unreasonable risk for business and, most importantly, unreasonable risk for the environment and the community. I urge the House to support the shadow minister's second reading amendment.

Mr RANDALL (Canning) (16:41): I am pleased to speak on the Environment Protection and Biodiversity Conservation Amendment (Cost Recovery) Bill 2014. The cost recovery bill will amend the EPBC Act to allow cost recovery for environmental impact statements and approvals, as the title suggests. Cost recovery will help to ensure the Department of the Environment is adequately resourced to undertake efficient environmental assessments. Cost recovery for environmental assessments was included by the former government in the 2013-14 budget, with a commencement date of 1 July this year. In his budget-in-reply speech in 2013, the now Prime Minister accepted all charges and savings measures other than those that were specifically excluded. Cost recovery was not specifically excluded. Cost recovery will help to ensure that there are adequate resources to undertake efficient environmental assessments that meet the statutory time frames, and cost recovery will only be applied to
projects assessed by the Commonwealth. In conjunction with the one-stop shop, impacts on industry will be minimised.

The member for Wills made a few allegations about this being an eight-stop shop. This is a one-stop shop. Let us be clear about that. It is going to create a whole range of efficiencies. It will slash red tape and help to increase jobs and investment whilst maintaining or improving environmental standards. Duplication of federal, state and local government processes adds to the complexity and cost to businesses of environmental approvals across the country—and, later on, I will give a whole range of examples in my electorate of this overlapping of approvals. The one-stop shop for environmental approvals is aimed at reducing this duplication by streamlining and simplifying the environmental assessment and approvals process. I stress that the high environmental standards under national environmental law will be maintained, but the benefits of the simplified approvals process will flow through to businesses and the community.

When fully implemented, the one-stop shop will have a single entry point at the state level for approvals. This will be through bilateral agreements with each state and territory under the national environment law, the Environment Protection and Biodiversity Conservation Act 1999. I was in the parliament when the then environment minister, Senator Robert Hill, brought this act in and I blindly voted for it, as everybody did. In fact, all three members on this side of the chamber currently were there at the time. We waived it through, thinking it was marvellous. But it has been a nightmare for many of my constituents, people trying to do business in my electorate and people around Australia, because the Commonwealth deemed since then that it would intervene on just about everything that was raised at a local level—unnecessarily. Why would the Commonwealth, for example, want to impose itself on the expansion of the Dawesville Catholic Primary School's school oval—3,000 kilometres away from that school oval—and they did. It was a costly venture.

Provisions to allow for the creation of a one-stop shop have existed in the EPBC Act since it was introduced. These provisions were in the 1999 act but never really used. The coalition government is delivering on that original act. The government will achieve the one-stop shop through a three-stage process and it will be done by: the signing of a memorandum of understanding with each of the willing states on the key principles of confirming cooperation and achieving a single process; the agreement on bilateral assessments and updating those which have already been in place; and agreement on bilateral approvals within 12 months.

And that is important. Some of these approvals have been bogged down in the federal department for years and it was not until the new minister for the environment in this place, Greg Hunt, decided to get on with some of these approvals that have been sitting there for many years while people have been trying to get on with the business of having them approved. This eliminating of duplication will deliver more timely approvals and allow businesses to expedite their work while maintaining the current high standard of environmental protection.

The Commonwealth will maintain an important role. We will remain accountable for obligations under the Environment Protection and Biodiversity Conservation Act 1999, including international treaties. We will retain an approval role for actions in Commonwealth waters, on Commonwealth land or by Commonwealth agencies. We will have an ongoing role in ensuring that commitments under the bilateral agreements are met. The one-stop shop
process will expedite these approval processes and increase certainty for investors, reduce costs and boost productivity, and some of this will help to create jobs.

Areas of savings for business will include: lower costs as business will need only one application and assessment process—one instead of two; faster approvals as business will no longer engage with the Australian government or wait for approval to follow a state or territory approval. This will typically save 30 to 40 business days. There will be more certainty for investors with a simpler, streamlined regulatory system, which is good for Australia's international investment reputation.

I feel uncomfortable now for having just waived through this 1999 act, because of the heartaches that it has caused people trying to do business. Unfortunately, this department has been infiltrated by the green movement, for want of a better word. The greenies in the federal department have taken over and become obstructive and intrusive, unnecessarily so. The caftan-wearing, bead-wearing, hairy bib-and-brace overall brigade has really put its stamp on this department and slowed down a whole lot of approval processes in this country so that it has not only been a cost to business, it has also been an imposition on anyone trying to do business. For example, in my electorate I have seen unnecessary delays with regards to the environmental approvals process in particular with regards to the possible effects on the habitats—and possible habitats—of black cockatoos, including the Forest Red-tailed Black Cockatoo, Baudin's Black Cockatoo and Carnaby's Black Cockatoo.

Mr Perrett: That's easy for you to say!

Mr RANDALL: I am getting my tongue around, aren't I! Yes. Some of the developments and businesses in my electorate affected by this particular element of environment approval include, for example, Tuckey Cove—and members here would be very aware of that name, Tuckey. Believe it or not, the Tuckeys—and I notice that the member for Moreton is suddenly excited, hearing that name—

Mr Perrett: The horror!

Mr RANDALL: were one of the first original families in Mandurah when it was just a little beachside hamlet. That is where they settled and that is where they spread out from. Florida Estate is another case in point. I have already mentioned the Dawesville Catholic Primary School and Mandurah Junction.

At the onset, I want to make it clear to this House and anyone listening that I am 100 per cent interested in the protection of black cockatoos, but I do not want to see an overly bureaucratic, business-hampering process based on 'maybe' and a minority opinion from activists from the department.

I will give you the example of Tuckey Cove. This was something that had been enacted while we were in opposition, and in government we have tried to bring some sense to it but it was too far down the track. The Tuckey family have owned land in Mandurah for generations and consider themselves responsible, environmentally aware corporate citizens. They essentially develop land for residential habitation by way of subdivisions.

The process of subdivision often requires the removal of native bushland. During the process in gaining the necessary environmental approvals for one of their developments, their town planners informed them that the development proposal had potential to impact upon the Forest Red-tailed Black Cockatoo, Baudin's and Carnaby's Black Cockatoos. Apparently, this
was instigated by a local bird-watcher following observations at the one-plus hectare site—so we are talking about something just over one hectare. Following on from this, the area for subdivision was declared a 'controlled action' by the department and became subject to negotiation for offsets.

Offsets are where you have got to go and buy a massive amount of land somewhere else if you want to develop the land where you are. Offsets are meant to compensate for the residual impacts and after mitigation measures are taken. The developer then in good faith worked with the environment department to negotiate an outcome for the purchase of land containing suitable native habitat in other areas. The area of Gingin was suggested. For those in this House who do not know where Gingin is in Western Australia, it is about 200 to 300 kilometres from Mandurah, so the black cockatoos had better be good at flying to find their habitats a couple of hundred kilometres away.

Following an initial offer of $50,000 towards the offsets, it became apparent to the developers that more was expected. The developers agreed and were subsequently given approval.

The land in question which 'may have' impacted on black cockatoo species was, in the end, able to be developed, providing native vegetation was maintained somewhere else. The developers said to me, 'The whole process was slow and involved far too many layers of government. We acknowledge the need for conservation and we are willingly involved in the required planting of the appropriate tree varieties. However, the next step is to front up with $100,000 to the Department of the Environment.' So it went from $50,000 to $100,000! And we are talking about a development, as I said, of just over one hectare. They said, 'Whilst we have budgeted this amount, it is simply extortion.'

From a developer's perspective, these types of costs—particularly in this case which is just for the one development—cannot always be absorbed by the developer and will eventually be passed on to the homebuyer in the cost of land.

In the short period of time that I have left I will deal with another case in point: NLG Sand Supplies in Dawesville, a bit further down the road in Mandurah. NLG Sand Supplies wanted to expand their sand pit. They had to do a habitat survey because it was another controlled action. It cost them tens of thousands of dollars for this environmental survey. If you really wanted to get into the right side of business over the last few years you became an environmental consultant and ran around finding out if there were any trees that were suitable for nesting for black cockatoos.

On this particular site, as the NLG people told me, there was no evidence of black cockatoos ever having nested there. But the department had said, 'Well, there is a potential that there could be a tree that eventually would grow big enough and have an interior hole that is big enough to be a nest. Not only that: you could actually plant trees that would be suitable later on to become a nesting site for black cockatoos.' It is just the most ludicrous thing to do to somebody who is trying to get on with their business of supplying yellow sand for the building industry in that particular area.

We are dealing with the Florida Estate at the moment, and it looks like it is getting there. This is where the developers had a commercial lot and Coles decided to buy the larger portion of that subdivision. But, of course, there were going to be smaller commercial lots around.
They entered into the offsets and all the processes. They had one of the best environmental experts on the job—Bernadette Van der Wiele. She came back with all the approvals, but the stalemate then was who then was responsible for the ongoing maintenance under the orders given to this particular commercial lot. Is the developer, even after he has sold the land? Or is it Coles, as the major tenant? Or can you then assign the ongoing environmental obligations to the other tenants on the smaller lots? Thank goodness, the minister’s office has been negotiating with the department on this and some common sense is heading towards a resolution. But there are a whole lot of environmental time bombs out there because the Commonwealth deemed, 3,000 kilometres away from this commercial development in Mandurah, that they would interfere with that business.

There is a whole range of people who are affected by this. Common sense needs to be brought into it. What I really need to say in summing up on this bill is that even though it is about cost recovery for the department, with assessments et cetera, if the one-stop-shop program works as it should do and is intended to, there will not be many people having to spend much money at all. It will have gone to the state department in conjunction with the federal department, where they are given a time frame and they will not be subject to these massive amounts of environmental studies and compliances. Hopefully, this bill will not require raising a lot of money because you will not have that massive amount of federal interference overlapping approval processes through federal, state and local governments and then people can get on with their businesses as they should. I thank the House.

Mr ZAPPIA (Makin) (16:56): In speaking on the Environmental Protection and Biodiversity Conservation Amendment (Cost Recovery) Bill 2014, I support the amendments moved by the member for Port Adelaide and shadow minister for the environment. I will begin by repeating what those amendments are:

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 notes:

(1) the government’s poor environmental record;
(2) the importance of protecting Australia’s rich and diverse environment;
(3) the need to fully examine the range of changes proposed to the Environment Protection and Biodiversity Conservation Act since September 2013; and
(4) the lack of assurance from the government about the future management and protection of our natural environment."

Any legislation relating to the environment brought into this place by the Abbott government should ring alarm bells, and this legislation certainly does. It may appear to be simple legislation associated with cost-recovery, but the reality is that it goes to far more than that. One has only to look at the Abbott government’s track record since coming to office with respect to the environment to understand why this legislation should be of concern, and I am going to go to some of the track record of the Abbott government since coming to office.

Budgets do not lie because budgets effectively enable governments to put their money where their mouth is. The money that is allocated in a budget clearly identifies a government’s priorities and its long-term plans for the country. And if you look at the budget that was handed down only this month and carefully look at the expenditures that were cut from the
environmental initiatives within that budget you get a very clear picture of what this government's priorities are, and how low a priority protecting the environment has.

Firstly, there is the $1.3 billion cut to the Australian Renewable Energy Agency, which not only cuts thousands of jobs, expertise and innovation, and perhaps pushes them offshore but it undermines our competitiveness. This is the competitiveness that would enable us to in the future perhaps compete with other nations in respect of clean environmental programs, clean energy and the like. Most countries around the world are doing exactly that today—spending more money on innovation and technology with respect to green energy projects, rather than less. But Australia is going in the opposite direction.

I talk about energy programs because they are directly related to the environment. Carbon emissions and global warming have a direct impact on the environment, so when you affect those programs you directly affect our ability to manage the environment. Then there are other cuts, such as the cut to the Clean Energy Finance Corporation. What I do not understand about cutting the Clean Energy Finance Corporation—which also funded many of the initiatives I just referred to in relation to new technology and projects to enable us to remain energy sustainable and efficient as well as using the green energy innovations that are now available to us—is that the corporation was making money for the government. Closing down a corporation that is actually making money for the government highlights the disdain that the government has for the environment. You would not do it if you were not somehow trying to stop government investment in and protection of the environment. Even if you did not support that particular corporation on ideological grounds, you would think the fact that it was making money for the government, returning money to the government coffers, would mean that the government that claims we have a budget crisis would keep it. But, no, because it was an initiative linked to the environment, the government wanted to cut it.

The government then reduced the funding for the Carbon Capture and Storage Flagships Program as well as for the National Low Emissions Coal Initiative—again, two important environmental programs. The Australian Climate Change Science Program, which replaced an earlier program, will be cut by $21.7 million. The Caring for our Country program has been cut by the $483 million and the Environmental Stewardship Program has been cut by $25.8 million. The National Water Commission is to be abolished and the Office of Water Science is also to be abolished. The water buybacks for the Murray-Darling Basin will be capped at 1,500 gigalitres and there have been $168 million in cuts to water funding programs, as well as $239 million of cuts to infrastructure project spending to make water use in the Murray-Darling Basin more efficient.

These are all cuts that go to the heart of programs and projects that were there to try and protect our environment, which was the indirect benefit and outcome of many of those programs. Going to direct funding, there have been funding cuts to environmental organisations across the country. These are organisations such as the Environmental Defender's Office, the Conservation Council of Australia and so many others that have been doing much of the good work in analysing and reporting back to the broader society on how our environment is going and on the general state of the environment. These are not-for-profit organisations that rely on government assistance. Unlike business organisations that have their own funding streams, these organisations rely on government support, yet that support
has been entirely cut out, just as government support has been cut for the national wildlife corridors initiative.

Other cuts include: cuts to the CSIRO of $111 million; the cooperative research centres, $80 million; the Australian Research Council, $75 million; and cuts to the Australian Institute of Marine Science. Again, these are all government organisations that provide invaluable research work with respect to our environment. It is their research work that so many government departments, community groups and industry rely on in making environmental assessments. It is their work that enables us to understand the environmental changes and trends that are occurring throughout Australia and throughout the world, for that matter.

My friend the member for Wills quite properly alluded to the Abbott government's push to delist about 74,000 hectares of the Tarkine forest area in Tasmania from World Heritage listing.

Mr Hutchinson: No, not the Tarkine.

Mr ZAPPIA: I am pleased to hear that it appears that might be stopped at international level, but that decision was consistent with the decision of this government to try to wind back the marine conservation areas introduced—again, for good reason—by the Labor government. This government is trying to wind all of that back as well.

This legislation is dressed up as an environmental cost recovery bill. No-one on this side of the House has any particular problem with that aspect of it. It sounds pretty straightforward. But the truth of the matter is that the transfer of authority and the delegation of authority to the states, perhaps to local government, in order to carry out the work they will then be entitled to be compensated for by charging a cost recovery fee. What are we doing when we transfer the authority to the states or, even, to local government?

Last year in this place I moved a private member's motion which raised my concerns about how conservative state governments along the entire east coast are turning their back on environmental initiatives that had been in place for years and years. We have seen from Queensland to New South Wales to Victoria the grazing of cattle in our national parks and in the alpine regions. We have seen our national park networks cut back. We have seen land clearing in all of those states in areas that were previously protected. We have seen mining and logging being allowed in areas where it had previously been stopped. And earlier this year we saw the example of the shark culling program in Western Australia.

These are just some of the examples we can allude to which highlight the irresponsibility of the state governments, predominantly conservative state governments, in recent times when it comes to protecting the environment. That is exactly why the Environment Protection and Biodiversity Conservation Act was brought in by the federal government and why the federal government, going back to 1973, took responsibility with respect to the environment—because the states were negligent in some cases in upholding the environmental protection standards that Australians across the country expected. What we are now seeing is a government that wants us to return to those days when the responsibility lies entirely with the states. In fact, it might even go to local councils. I have no criticism of either the states or local councils if they are going to do the job right but the truth is their track record is not terribly good. The truth is we have seen only this year the budgets of state governments, with respect to their environmental commitments, being cut back drastically. So even if they
wanted to do the right thing, the reality is they are cutting back the very resources they will need to be agents of the federal government in carrying out the assessment processes we are asking them to do. Likewise, I expect that local governments across the country, as a result of having their financial assistance grants frozen by this government—grants that they rely on—will do exactly the same and tighten their belts. In turn, that means things like environmental programs are likely to be the first to go.

That is what concerns me about this legislation: we are asking levels of government that have previously had, at best, a questionable track record and now, possibly, do not have the resources to do the very job we are asking of them. That in turn will lead to poor environmental outcomes, because when the assessments are made they will either be rushed or they will not be properly scrutinised. When they are not properly scrutinised, they are likely to have flaws in them that the community would not be happy with if it knew about them.

One of the issues that is often raised by members opposite is the issue of duplication of process, additional cost and the like. That question needs to be counterbalanced against the environmental benefits that result because of the processes we have had in place in this country now for some time. I understand that in Europe, as a result of the environmental protection measures brought in, the value to the European Union countries has been in the order of 50 billion euros in recent years. Yes, they come at a cost; but there is also a community benefit to them.

The same applies here in Australia. It does come at a cost to carry out thorough environmental assessments but those assessments are inevitably there for good reason. That good reason is to preserve and protect the environment—which also has a value, something members opposite fail to understand and accept. The environment also has a real value to this country and it will continue to have value.

What is even more concerning is that—at a time when we are seeing report after report showing global warming is real and our climate is changing, which in turn directly puts additional pressures on the environment—we are winding back environmental measures we are in complete control of. Climate change measures are not so easy to manage but the ones we are being asked to change with this legislation are, because they are entirely within the control of this government.

The last point I will make is this: the environment committee of the House is right now looking at issues associated with what is referred to as green tape and the like. I would have thought that, before we transfer powers to the states and local governments, it might be appropriate to report back as a committee—to do the very work that is associated with some of the objectives of the government's legislation that is before us.

Finally, because others have made comments about a one-stop shop: this does not create a one-stop shop. It creates offices right across the country—in other words, there are now eight offices you will have to deal with, rather than one, and perhaps even more if you bring local government into it in order to get a process cleared. It is not efficient and, quite frankly, this House should indeed be concerned with aspects of this legislation.

Mr HUTCHINSON (Lyons) (17:11): I was not planning to speak on this legislation, the Environment Protection and Biodiversity Conservation Amendment (Cost Recovery) Bill
2014 and amendments, until I heard the contribution from the member for Wills. I remind the member for Makin opposite that, in fact, in respect to the Tasmanian World Heritage extension—an extension of 100,000 hectares under the government's proposal; that is something we should all celebrate—the Tarkine has nothing to do with it. The Tarkine—I should say the so-called Tarkine—is nothing to do with the proposed extension of the existing World Heritage area. What is proposed to be extended is a number of areas that have been working forests not for 50 years, not for 100 years, but for over 150 years in some instances. In certain cases—and I can name locations in the Liffey, which falls within my electorate of Lyons—the only heritage value is that of the remains of the industrial log-hauling equipment that are quite well preserved in these forests, surrounded by what were supposedly forests that have been destroyed. They are now, in an irony that is not lost on many, worthy of listing as part of the World Heritage estate.

The World Heritage extension was born out of a failed Tasmanian forestry agreement process. It was based entirely on politics, not on good policy or science. It was negotiated by an industry that was hijacked—an industry that was on its knees by virtue of a political coincidence when my state was held ransom in the state parliament by the Labor Party, which had formed an alliance with the Greens. This coincided with a federal parliament that was also beholden to and dependent upon the Greens for their support and their survival. The final piece of that puzzle was that the minister responsible at the time, the member for Watson, was quite happy to be there for the fight. He was supporting the initiatives and proposals being put forward by the environmental movement in my state.

I stand here for only one reason. I was prepared to speak up. The community of Lyons believed that the former member would stand up for something that he had been a strong supporter of for many years. He was there for all those years but, when finally his vote was going to count for something, where was he? He was nowhere to be seen. His vote counted for nothing. He was not prepared to stand up for the communities that had supported him for 20 years.

The damage that has been done to my state as a result of this coincidence of misfortune is nothing less than palpable. I feel for the young people. We are doing everything we can. Many of the measures we have announced over the last six months are entirely directed at helping the young people and the regional and rural communities that make up the electorate of Lyons, which I am proud to represent. They are in desperate need and we are doing what we can to restart the engine in Tasmania.

This process and the process demanded by the World Heritage Committee—and it is a principle of this whole process—involves community consultation. It involves consultation with the broader community and it involves particularly consultation with adjoining landowners. We have now private landowners surrounded by areas that are proposed to be listed as World Heritage who had no consultation. They were completely ignored in this process. ICOMOS, one of the advisory bodies to the World Heritage Committee, in fact confirmed this when they raised concerns about the listing in the initial stages because there was no consultation with the Tasmanian Aboriginal community. What fixed that? The promise of half a million dollars from the member for Watson, who at the time was the responsible minister. I do not know what happened to that half a million dollars. I will follow that up. They were prepared to do anything. This was a political process only.
Mr Neumann: Mr Deputy Speaker, while this is a very broad-ranging discussion and you have given a lot of latitude, it is germane for the speaker to make reference to the cost recovery aspects of this bill and to address the terms of the bill in his speech.

The DEPUTY SPEAKER (Mr Mitchell): I thank the honourable member for the point of order. There is no point of order. The member will continue on the bill.

Mr HUTCHINSON: There are costs to my state. Indeed, the one-stop shops will provide efficiencies. It is unquestionably about the process for addressing and making sure that the environmental approvals, where appropriate, are conducted in a more efficient way that enables confidence and businesses to look at opportunities, done with the appropriate safeguards and checks in place. It is indeed important.

I remind the House that Tasmanians are truly proud. I, no less than anyone else, am truly proud of the estate. I have seen much of it. Many people who reside in Melbourne and Sydney who have very strong views about what should and should not be done in my state have never seen these places. I, for one, have walked these places. I have been and I have seen. I am proud that 50 per cent of my state is in World Heritage areas, national parks or formal reserves. That is something that I as a Tasmanian am justifiably proud of.

The threat to the World Heritage estate was raised by the Wilderness Society in 2009. They believed that forestry practices and forestry management in Tasmania were presenting a risk to the outstanding World Heritage estate in south-west Tasmania. In 2009 the Wilderness Society asked inspectors to come to Tasmania to view this. At the time Mr Garrett was the responsible minister. Once that information had been collated and the report was presented to Minister Garrett, he rightly rejected the extension of the World Heritage area at that time because it was not in any way under threat by the world's best forestry standards that are applied in managing Tasmania's working forests.

It beggars belief. Within the electorate of Franklin—and I say this with all due respect to the good people of the Huon Valley—I suspect they have a slightly different view of the world. The electorate of Denison effectively encompasses the capital city of Tasmania, Hobart. In the recent state election under the Hare-Clark system, which has multiple members per seat, 10 people were elected to represent the seat of Franklin and the seat of Denison. Five of them were Liberals, three were Labor and two were Greens. Basically, it was business as usual. In regional Tasmania—in the seats of Lyons, Bass and Braddon—it is not business as usual, because they are hurting, and that was reflected in the vote at the recent Tasmanian state election. Out of the 15 seats, 10 went to the Liberals, four went to the Labor Party and only one went to the Greens. As was the case in the federal election prior, we went clearly to the people asking them to respond to what had been a process that was, frankly, corrupt. They rejected this utterly.

It is also important to remember that the people who have this agenda will never be happy. They have an agenda to close down an industry that has for generations sustained communities, businesses and families. The political situation that occurred in the last few years has done such enormous damage.

I call on the World Heritage Committee, which is going to meet very soon, to consider the minor boundary adjustment that the federal government has recommended, which will remove 74,000 hectares from the 174,000 hectares proposed under the previous government.
And I remind the House that it will add 100,000 hectares of Tasmanian forests to the existing World Heritage area. That is something that we should celebrate. It is something that as a state we should celebrate; it is something that as a nation we should celebrate. The environmental movement should cut their losses, move on and listen to what the people have said in the past eight months. They have utterly rejected this proposition, and I call on the World Heritage Committee to listen clearly to what the Tasmanian people did twice. They did it in September last year; they did it again in March this year: they utterly rejected this.

Our concern primarily is (a) communities that are affected the most by this listing were never consulted, which absolutely goes against the notion of community ownership of World Heritage areas, and (b) this outstanding estate, of which all Tasmanians and all Australian should be truly proud, is potentially being compromised. It is the Tasmanian wilderness World Heritage areas. These areas, by any definition of the word 'wilderness', are simply not wilderness areas. These have been working forests for generations. These are forests that have sustained communities in my electorate, and I call on the World Heritage Committee to utterly reject what was not based on science, what was not based on fact, but what was instead based on a political imperative and a political coincidence. Thank you.

Mr PERRETT (Moreton) (17:24): I rise to speak on the Environment Protection and Biodiversity Conservation Amendment (Cost Recovery) Bill 2014. I have a few things to touch on in this speech, but to convince people in my electorate about some of the challenges facing us over the environment, I should just send out the member for Lyons' speech. That will be a vote winner for me, well and truly. I thank him for his—let us call it a 'contribution'. I thank the temporary—I mean the current—member for Lyons for his contribution.

I want to refer to the member for Port Adelaide's amendment to the legislation, and I will refer to it in detail. It suggests:

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

... the House notes:

(1) the Government's poor environmental record—
as demonstrated in the member for Lyons' speech—
(2) the importance of protecting Australia's rich and diverse environment;
(3) the need to fully examine the range of changes proposed to the Environment Protection and Biodiversity Conservation Act since September 2013; and
(4) the lack of assurance from the Government about the future management and protection of our natural environment."

The EPBC Act enables the Australian government to join with the states and territories in providing a truly national scheme of environment and heritage protection and biodiversity conservation.

It is interesting to see it through the prism of a little bit of history, I guess—that is, noting how we came to this stage where the Commonwealth parliament is talking about the environment. We can actually go back to the Chifley and Menzies eras and that great surge of migration after World War II when seven million people came to Australia. Because the Commonwealth government were so involved with that and with getting the town and country planning out there, they said to the local government areas: 'You need to have a bit of consistency. We just can't let it be all higgledy-piggledy for the 700 local governments and
states and territories; we need to have a bit of consistency.’ That is where it started. Then you obviously move up to the seventies and Gough Whitlam's changes, where we brought in the environment act. And I guess since the 1970s there has been that cooperative federalism, where basically the states and the Commonwealth have worked together reasonably harmoniously—I am sorry the member for Lyons is not here; I mean, we did have to send an F111 down to Tasmania to sort out a few things, but mostly we have worked things out cooperatively, as a federation should.

Sadly, things have changed. That great piece of legislation, the EPBC Act—a John Howard piece of legislation that has served Australia well and has done so much in making sure that we protect the environment and protect endangered species—is now being trashed. In fact, for the first time in 40 years there is no intergovernmental forum that is dealing with the environment and water. For the first time in 40 years! It is a very retrograde step, and I am sure all current and former and shadow environment ministers would agree that is a crazy thing to do. No standing committee on environment and water exists at the moment.

We have this linguistic artifice, I guess, where we are saying: 'Oh no, it's all about states' sovereignty. It's all about states making decisions in the nation's interest.' This is a trashing of the historical development in Australia of caring for the environment. We have an environment minister missing in action—

Mr Hunt interjecting—

Mr PERRETT: definitely!—who basically should take a pay cut. He is abrogating his responsibilities as an environment minister to the dodgy white shoe brigade down in George Street in Brisbane and he is subcontracting his responsibilities to the local governments of Australia. How can Porpoise Spit type people make decisions that are in the nation's interest? Local governments make decisions that are in local governments' interests. That is what they do. States make decisions based on the interests of their state, that is what they do. They make economic and other electoral decisions—all sorts of decisions. They even make decisions based on the donations given to their political party, as has been suggested by ICAC in New South Wales. How can an environment minister in this parliament stand up and look the Australian people in the eye and say that these local governments and these state governments will make the best decisions for the future of our endangered species and our environment?

I will take you through a couple of examples. After Campbell Newman was elected Premier, the very next day—on the Sunday—the Deputy Premier, who had not even been sworn in, came out and said, 'We should make the Great Barrier Reef Marine Park smaller.' That was the day after the election! That is the sort of government we have got in Queensland. Campbell Newman might have great environmental credentials because his dad was instrumental in the Fraser government making the Fraser Island national park a reality. Campbell Newman and the people he has surrounded himself with will always make decisions that are based on the best interests of Queensland, whatever they see them to be. A national government—a government that believes in doing the right thing for Australia—will always have that broader view.

I say this on a day that the State of Origin match will occur. I proudly wear a maroon tie. I am a Queenslander, proudly, but my heart is a green and gold heart. I believe that I am an Australian first. Games of football are important but the national interest is so much greater
than the considerations of states, so much greater than the considerations of some of those local governments.

For 40 years the Australian government has been the leader on environmental protection. Now we are taking retrograde steps. John Howard would be ashamed of this government and what they are doing—not in terms of this particular piece of legislation, as cost-recovery is something that we do agree with and we do support. We do agree with that side of it. There are other aspects of it that are problematic. For a start, massaging it to say that it is going to be part of a one-stop shop is a furphy. We know you are creating eight stops—eight states and territories are now going to have input into this process. So stop this this one-stop shop claim. Just because something rhymes doesn't mean it is noble and good. In this case it is going to be undermining the Commonwealth. It is going to be engadangering the flora and fauna of the future.

Read back the speeches of the member for Canning and the member for Lyons and you will see that they do not care about the nation's interests. They do not care—that will be the reality. You will see that accreditation in many of the state and territory laws will not meet the requirements of the EPBC Act. That will mean that there will actually be greater costs, greater uncertainty and there will be legal liability—great work for lawyers, but not so great for the plants and animals of Australia that will be at risk. It will also be a breach of our international obligations. You can see that. They come in here saying that they are going to reduce the regulatory burden, but this policy does the complete opposite; it is going to increase regulatory obligations on business and increase the risks associated with major projects.

Let us have a look at these state and territory governments who do the assessing of development proposals. The reality is—and I can only speak for Queensland—that they have been gutted. All the talent has either been sacked or gone. That is the reality. Of the people that we are now asking to do extra work to make extra decisions and extra assessments that are in the nation's interest, all the good people are gone or going. In an atmosphere where we have a Commonwealth environment minister that does not value what they do, they will not be able to do their job properly.

For the last 40 years—or maybe 50 years if we go back to the green bans—we can see that the Australian people do care about the environment. However, their trust in governments, be it Labor or Liberal, is plummeting. That is the reality. We have seen Labor and Liberal governments make short-term decisions based on the electoral cycle, whereas the environment is forever. We need to do things that are in the best interests of this nation—crazy things like putting a price on carbon, for a start! But that is a piece of legislation for another day. This current proposal will basically give too much power back to the states and territories. It is a furphy to suggest, as the member for Canning did, that this red tape is going to be a great cost on business. When you are looking at billion-dollar projects, the environmental investigations are minimal.

The modern mining industry has a great record when it comes to rejuvenating mine sites. I do know that. But let us look at what is going to happen. You will have local governments making decisions about water resources and that trigger with CSG; local governments making decisions about nuclear actions, including uranium mines, is a possibility; the Townsville Shire Council making a decision about whether or not a uranium mine should go ahead, or local government making decisions about World Heritage in an area or whether they are
federally listed species and ecological communities. That will be an absolute environmental disaster. It is a very short-sighted and myopic view from this minister, who is subcontracting out his responsibilities to the dodgiest people in the business—those who are not able to make those national considerations.

I have no problem with the cost-recovery elements of this legislation at all, but this one-stop-shop policy, the platform they have come into this parliament on, is to be opposed on every occasion. We need to have legislation that is effective in protecting our most threatened wildlife and places. We have environmental vandals like the member for Lyons coming in saying that he knows a bit about environmental areas because he drove past a couple of trees once! I have a bit more faith in our scientists. I know that the Prime Minister said today in question time that shaving $100 million off the scientific budget is nothing to worry about. I think he said it was 'small fry' or something like that, whereas I actually have a lot more faith in our scientists and what they can deliver, especially for the future. I am one of those people who believe in making national decisions for the future of Australia, not just something based on the short-term electoral cycle. This government, more than any other government in Australia—not the 700 local governments or the eight states and territories that make decisions based on their interests—this government, this chamber, needs to make decisions that are in the best interests of this nation. Saying that there is too much red tape when it comes to mining projects and development projects is very short-term indeed. As I said before, the cost-recovery elements of this legislation are not something that we have a problem with.

But let's go back to the proud history that Australian governments have—Labor and Liberal; I need to stress that—from Whitlam to Fraser, Keating, Howard, Rudd and Gillard. We have all done things that have been in the best interests of this nation.

I note that the member for Wentworth was the environment minister that declared a marine park so that it could be preserved for the future. Sure, he voted against it last year, when it came up in parliament. Nevertheless, when it came to be disallowed by one of the motions, the member for Wentworth voted against that. When he was minister he was able to declare that part of the world so that it was saved for the future of Australia and the globe.

We need to do what we can to protect our environment. Australia was the first country in the world to introduce environmental impact assessments in the 1970s. That is the proud tradition we have. Many of these initiatives came out of Sydney and the green bans and people caring about their environment and about urban renewal. We have learnt so much from them.

So the Commonwealth government needs to be doing what it can to protect our endangered species and to protect the environment and make sure that we have sufficient biodiversity. Who knows what will be found in those forests that the member for Lyons was so quick to send the bulldozer through! We might even find a cure for cancer. I know it has been claimed by every man and his dog in this parliament recently, but who knows what will be found in those environmental areas.

Australian governments—Labor and Liberal—have a proud record when it comes to protecting the environment. Some of the aspects of this legislation before us are adequate but the Abbott government needs to have a look at the poor environmental record it has started with. It needs to look at our children and say, 'We can do better.' We need to protect our rich
and diverse environment, particularly as we are the driest continent in the world, with some species that are found in no other country. More work needs to be done by this government and I give it a D—a fail.

Mr HUNT (Flinders—Minister for the Environment) (17:39): Let me begin by responding to the member for Moreton. He set out the proposition that the Labor Party would never support one-stop shops. He said that the Labor Party could never have supported one-stop shops and would never agree with that concept—as did the shadow minister, the member for Port Adelaide. I am sorry to do this to the member for Moreton, but in April 2012 the Labor Party, when it was in government—the member might want to stay for this!—committed at COAG to:

... fast-track the development of bilateral arrangements for accreditation of State assessment and approval processes, with the frameworks to be agreed by December 2012 and agreements finalised by March 2013.

In other words, we have just had 15 minutes of ad hominem based on a complete untruth and falsity. That, sadly, sums up much of what we have heard from the other side. Those on the other side of the chamber have agreed to support this bill, but in the meanwhile they have argued against the very concept which was the centrepiece—the heart, the fundamental, the soul—of the April 2012 COAG agreement announced by then Prime Minister Gillard. It was not announced just once; it was announced on six occasions—three times in terms of major press releases or announcements and three times in terms of joint statements between the Prime Minister and the business community and the Prime Minister and the premiers. So this was a fundamental tenet—a fundamental belief—in a reform which they said was absolutely necessary, but which they not only reject but which they deny they ever supported in the past. It has a certain resonance.

Against that, let me turn to two matters with regard to this bill. One is the essential element. The second is the fundamental reform of which it is part. The Environment Protection and Biodiversity Conservation Amendment (Cost Recovery) Bill 2014 is, in essence, a Labor Party bill. This was a measure announced in the 2013 budget, and it was a measure accepted in the budget—reply speech, which the then opposition leader, now Prime Minister, acknowledged at that time. In other words, they proposed this cost recovery measure and we accepted it.

We accepted it for a couple of reasons. Firstly, it is right and appropriate that those who seek to engage in development processes from which they could potentially make a profit contribute to the appropriate cost recovery. We agreed with the principle. It is also right and proper because this government is setting out to ensure that the $240 billion of debt which was racked up during the life of the previous government is dealt with. That is something that is fundamentally necessary. This is a modest measure but it is an appropriate measure.

I set out, at the second reading speech, the reasons for it and I do not want to rehearse all of those now. But I will make this point. One of my colleagues, the member for Wannon, raised in discussions the need to ensure that there are appropriate exemptions for individuals and small businesses or for activities that are being undertaken in the public good—such as by councils engaging in cleaning up roadsides, reducing fire hazards, reducing the risks of damage by bushfires, and other such activities. Consistent with those principles there will be a
ministerial discretion to ensure that public good activities or minor activities by individuals can be exempted from cost recovery.

The second principle is one that I want to raise, particularly in the presence of the Minister for Communications—a former Minister for the Environment and Water Resources. He is one of Australia's two greatest ever environment ministers. I will let each environment minister believe that it may have been him. The member for Wentworth set out a series of reforms in relation to protections for the environment—most notably in terms of water. That was about simplification and the market. This reform is in the tradition established and developed not just within the coalition but, most particularly, by the now Minister for Communications then Minister for the Environment and Water. His great reform was the Murray-Darling Basin, but that was one of many initiatives.

So this one-stop-shop reform, which is the broader construct in which the current initiative is being set out, is very simple. We will be ensuring that right across the country instead of a 720-day average time for the process we are working towards a nine-month time frame of a one-stop shop for environmental assessments and approvals. It is not something which has just appeared out of nowhere. It has been a long-held view of both sides of parliament that this reform was necessary. At the commencement of this speech I noted that the central theme, the central announcement of the April 2012 Council of Australian Governments meeting, by the then Labor government in conjunction with a series of other Labor governments as well as Liberal state governments, was for this theory reform.

At the moment, South Australia and the ACT—Labor governments—are strongly supporting the one-stop-shop reform. There is not a government in Australia, federal or state, which opposes that. The only people opposed to this reform are the current members of the federal opposition. When they were on the other side of the chamber, less than two years ago, they were supporting it. It was to be achieved within a year. Unfortunately, it never happened and then they mysteriously forgot they supported it. We will deliver and are delivering the one-stop shops. We already have one-stop shops operating in Queensland and New South Wales. We have made enormous progress and have published the agreements with South Australia, the ACT and the Northern Territory. We have today published the agreement with Western Australia. I am delighted to announce that to the House. We are, in short order, likely to be in a position with Tasmania and Victoria to have one-stop-shop agreements, and the approval agreements have already been published in draft form for New South Wales and Queensland.

We are perhaps six months ahead of where we intended, so we are about six months ahead of schedule. We will achieve those one-stop shops progressively around the country, and I thank the state governments and I also want to thank those in the Department of the Environment. In relation to this cost-recovery measure, I particularly want to thank the officials from the environment department, Kushla Munro and her team, and from my own office, Rachael Dehosson, Sarah Meredith and, at an earlier stage, both Wendy Black and Jared Newton, who contributed to the development of the one-stop-shop policy. They have been involved jointly on a very important exercise. I commend this legislation to the house.

The DEPUTY SPEAKER (Mr Craig Kelly): The original question was that this bill be now read a second time. To this the honourable member for Port Adelaide has moved as an amendment that all words after 'That' be omitted with a view to substituting other words.
There being no further speakers, the immediate question now is that the amendment be agreed to.

Question negatived.
Original question agreed to.

Bill read a second time.

Messages from the Governor-General recommending appropriation announced.

Third Reading

Mr HUNT (Flinders—Minister for the Environment) (17:49): by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

Amending Acts 1901 to 1969 Repeal Bill 2014

Major Sporting Events (Indicia and Images) Protection Bill 2014

Migration Amendment Bill 2014

Statute Law Revision Bill (No. 1) 2014

Tax Bonus for Working Australians Repeal Bill 2014

Telecommunications Legislation Amendment (Submarine Cable Protection) Bill 2013

Assent

Messages from the Governor-General reported informing the House of assent to the bills.

Railway Agreement (Western Australia) Amendment Bill 2014

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Mr ALBANESE (Grayndler) (17:50): Back in 1961 the Commonwealth government offered the government of Western Australia a long-term loan to help fund construction of a standard-gauge rail line from Kalgoorlie to Perth. This was to help facilitate the development of Western Australia's iron ore industry. History points to the wisdom of that decision. The industry that developed after the lowering of a ban on iron ore exports in the early 1960s has helped underwrite waves of economic prosperity and growth in this country.

The Menzies government showed real vision in making the loan. The then government understood that the role of the Commonwealth when it came to infrastructure was to take the initiative to invest in the nation's future by supporting infrastructure projects that would expand capacity and boost productivity. Menzies made the right decision to invest in rail. He was not a slave of a dogmatic approach that said the Commonwealth could never invest in rail. Menzies was thinking about the future. That is why many people see him as one of the conservative political party's best prime ministers that Australia has had.

The bill before us today relates to a loan from the Commonwealth to the WA government, made in 1961, to help the Western Australia government fund this project. At the time,
legislators did not make provision for early repayment, setting a deadline of 2041. The bill before us today will correct that situation.

As the Minister for Infrastructure and Transport said in his contribution to this debate, the bill will clear the way for the WA government to repay the outstanding debt of about $1.6 million, if it chooses to do so. Hence, the opposition will be supporting this bill. But we will also be moving a second reading amendment. I move:

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 notes:

(1) that addressing urban congestion requires investment in both road and rail projects and;
(2) that investment in rail freight boosts productivity, reduces road congestion and has environmental benefits."

I move this amendment because this is an opportunity for members to participate in a debate about rail and about the Commonwealth's relationship with rail. The Australian public have an expectation that rail's advantages both in terms of moving freight but also moving people is something that the Commonwealth government simply should not ignore.

If this bill is carried, as I expect it to be by both houses of parliament, it will clear the way for the Commonwealth to say to the WA government, 'Pay your bill.' However, it is the case that the bill is not due to be repaid for another 27 years. So I wish the government all the best of luck in getting that contribution up. It may well be that the state government of WA says, 'We've been subject to our portion of the $80 billion that has been slashed from education and health; we've been subject to the half a billion dollars that has been ripped out of rail'—the half a billion dollars that was allocated in the 2013 budget as part of the nation-building program for light rail in Perth and for heavy rail to the airport.

The member for Swan is in here and I am sure he will participate in this debate and support the contribution of the Commonwealth government to the heavy rail line that is needed to travel to Perth airport. That would not only provide assistance for those people travelling to and from the airport but also improve the rail network in the growing city of Perth—and one in which public transport infrastructure will play such a critical role. Indeed, the line to the airport would complement the great work that the former government did in widening the Great Eastern Highway—a project that was promised, funded, built and opened during the life of the former federal government. At a time when the government is in conflict with the states—unless there has been some backroom deal—over increasing the GST, it is the case that the WA state government may well be reluctant to put its hand in its pocket and repay the loan. But we will see if this legislation is carried and if this actually advances forward.

My amendment to this bill is designed to ensure that this parliament embraces the view that was taken way back in 1961 by the Menzies government, which said that the Commonwealth does have a role to play in terms of the rail sector. I believe very firmly that we need to invest not just in freight rail but also urban rail. I am of the view that you cannot have proper planning in terms of transport in our capital and our other major cities without addressing both road and rail passenger infrastructure. What we have seen in the budget of two weeks ago is a rejection of that and a withdrawal of funding not just for the WA government but also for the Cross River Rail project in Brisbane, for the Melbourne Metro and for the Tonsley Park line—all withdrawn. The only passenger rail transport projects that remain funded are...
the ones that are already under construction, such as the Moreton Bay rail link to the northern suburbs of Brisbane, the Gold Coast light rail project, which will be open soon, and of course the regional rail link in Victoria—Australia’s largest ever investment in an urban passenger rail project.

The government has said that if we invest in public transport that will free up state governments to invest. But we know from the responses by Infrastructure Australia that that simply is not the case. We know this also because of common sense. Common sense tells us that, if you are state Treasurer and you are faced with two projects, one road and one rail, and if you invest in rail there will be no co-investment from the Commonwealth but, if you invest in road, there will be co-investment, you will of course over a period of time choose overwhelmingly road projects rather than rail projects. That will distort the market. It will also distort outcomes and increase urban congestion. That is why this is such a short-sighted view.

It is also the case that we know because we can see on the ground what is happening. We know that, in Queensland, instead of the Cross River Rail project—identified by Infrastructure Australia as the best project in the country on its priority list in 2012—has been rejected in favour of a second-rate option. In Melbourne, the Melbourne Metro project—a project designed to improve capacity in the inner-city area of Melbourne and therefore allow for greater capacity out into the suburbs—has been abandoned in favour of a second-rate project that does not even go to the city. In Perth the light rail project that the WA state government said they were committed to has disappeared—there is no funding—and the heavy rail project to the airport has also been put off into the never-never.

First-rate cities deserve first-rate transport. What we are seeing are second-rate options being put up or projects being abandoned completely. It raises the question of why any rational government would do this. I know that the member for Wentworth, who is here in the chamber and, to his credit, has had a lot to say about sustainability and cities, would certainly agree with me on these issues. But, unfortunately, the current Leader of the Liberal Party has quite an extraordinary view.

The current Prime Minister refuses to invest in urban rail. In his 2009 book *Battlelines* he said that public transport was ‘generally slow, expensive, not especially reliable and still a hideous drain on the public purse’. He went on to say, ‘... there just aren’t enough people wanting to go from a particular place to a particular destination at a particular time to justify any vehicle larger than a car, and cars need roads.’ This is not some troglodyte from the early part of a century ago; this is the Prime Minister of the nation in 2014 saying that there is no justification for any vehicle larger than a car in Australia. I am not sure how he thinks people get to work from the Sutherland Shire into the city. I am not sure what he thinks about projects like the Noarlunga to Seaford line—again, promised, funded, built and opened by the former Labor government—or what he thinks of projects like the Mandurah line, built under the leadership of the now member for Perth. All of these projects have exceeded all of the patronage forecasts.

If you are going to move people around a city, you need public transport. You simply cannot operate a modern, growing city just through the use of the private motor car. But he does not get it. The now Prime Minister, Tony Abbott, in his 2009 book *Battlelines* went on to say that many people ‘underestimate the sense of mastery that many people gain from their
car. The humblest person is a king in his own car … For people whose lives otherwise run largely at the beck and call of others, that's no small freedom.'

This approach is a recipe for the freedom to sit in traffic jams—a backward, extraordinary view for anyone in politics to have at any level in 2014. If a local councillor had this view you would be shocked, but this is a view held by the Prime Minister of this nation in 2014—a complete lack of vision. That would not be a great problem if he just kept these views to himself. It would not even be a huge problem if he had just written it in his book *Battlelines*. But it is an enormous problem for the nation when he imposes this view on our nation, on families trying to get to work, on parents trying to get their kids to sport on the weekend, on all those who suffer from urban congestion. It is indeed a real issue in our community that there are many parents who spend a lot longer sitting in the car getting to and from work than they do at home with the kids.

This is an issue that is not just about economics and economic productivity, although that of course means there is a clear case for investment in public transport, and it is economic productivity that has led to projects like Regional Rail Link being approved for funding by Infrastructure Australia. This is also a social policy issue about the nature of our community, the nature of work and the nature of the time that people have in terms of their quality of life. The Prime Minister is showing once again that there is no issue too big for Mr Abbott to show how small he is as a policy thinker.

As a result of this bizarre prejudice, we have cuts in the budget to the Melbourne Metro, the Cross River Rail project in Brisbane, light rail and the airport link in Perth and Adelaide's Tonsley Park public transport project. Indeed, all of the funding is being stripped from other projects which were not ready for construction yet, such as in Hobart—a small amount of funding to see whether the freight line that exists could be used for light rail, therefore unlocking the value that is in that infrastructure. I will have comments to make later about the high-speed rail project that has been completely stripped of funding in this budget.

This leads not only to the cutting of federal funding but also to a reduction in state investment for urban public transport. But it is also the case that there is not a single new rail freight project funded in the 2014 budget—an extraordinary proposition from a government in its first term. You would think there would have been some rail freight projects that they had committed to in terms of boosting productivity.

Our record investment led to six hours being cut from the Brisbane to Melbourne line, nine hours being cut from the east to west coast links—following the $300 million that we committed to the inland rail line from Brisbane to Melbourne through Parkes. But here we have a government that is attempting to say that all those projects, such as the inland railway, are somehow new. The inland railway followed a study that we received in 2010, undertaken by the ARTC. We then made a commitment in 2010 to $300 million during the election campaign and put it in the 2011 budget.

But there is not a dollar extra from those opposite for rail freight, not a dollar extra for public transport of any kind, and any public transport project has been stripped of funding if it was not already under construction. That is why Infrastructure Australia spoke about there being a distortion in the market. But yesterday I noticed that the Minister for Infrastructure and Regional Development rejected this advice from Infrastructure Australia, which he described as a ‘theoretical’ claim. The minister's media release also sought to mislead...
Australians into thinking that the Abbott government was actually funding rail projects. We know that is not the case. The figures are there. Every single project, every single project, comes from the former government.

Infrastructure Australia of course is non-partisan, but it is common sense that treasurers in state governments would act to maximise federal investment in their states and therefore they will withdraw funding for public transport, and that is already occurring. It perhaps explains why the minister so dislikes the independence of Infrastructure Australia. Legislation currently before the Senate would allow him to dictate Infrastructure Australia’s research agenda, including ordering it to exclude ‘entire classes’ of infrastructure from its consideration. This has been rejected by the Business Council of Australia, Infrastructure Partnerships Australia, the Urban Development Institute of Australia, the Property Council and the Tourism and Transport Forum.

This legislation is an orphan. It does not have any support—not from anyone who knows anything about infrastructure in this country. I expect the government know that this is the case and that they will be supporting some of our amendments that are before the Senate. There is also no support for the idea that Infrastructure Australia not be allowed to publish its research. We created a body that was transparent. That can create some discomfort for governments and for ministers. From time to time, they made recommendations that I did not agree with. I did not stop them saying it. I was allowed to put the government’s view in response to that. What those opposite want is to stop it being said at all. I notice the minister’s officers are here. The alarm bells are going off. We are talking about public transport and the knee-jerk response that comes from those opposite.

The minister’s statement yesterday also claimed that state governments were proceeding with major urban rail projects. They know that is not the case. These are second-rate projects, such as the Melbourne Metro project that no longer goes through the CBD of Melbourne. It is quite extraordinary. I happen to believe that first-rate cities like Melbourne, Brisbane and Perth deserve first-rate infrastructure. I would have thought that this was a non-contentious view, one which has certainly benefited people in seats like the member for Kingston’s, with the Noarlunga to Seaford rail line. But the government have even withdrawn funding for the Gawler line electrification in South Australia, which is all about upgrading and having modern infrastructure, so I think it is important.

The minister actually complained that The Sydney Morning Herald refused to run his statement on its opinion pages. That is because it is fiction! Those opposite are so out of touch. It is a bit like the claim in parliament that projects like Gateway WA and the Majura Parkway have anything to do with the current government. I urge my fellow members, as they drive out to the airport tomorrow afternoon, to have a look on your left. The cranes, the big construction work that has been under work for two years: that is the Majura Parkway. As for the Gateway WA project, the member for Swan is having a chuckle because I turned the first sod with him—not last week, not last month, not even last year. More than a year ago, we turned the first sod. There are more than 2,000 people working on the project, and the government tried to ‘announce’ it: ‘We’ve got a great idea: Gateway WA.’ What a nonsense. It is just as hopeless as their attempted fraud about rail projects, pretending they were new. The Australian people are smarter than that. So are newspaper editors.
In the same way, most of the nation's media saw through the misrepresentations of the minister for infrastructure last week and of his assistant, the member for Mayo, who plays the role of errand boy to the minister. They tried to convince the nation that the budget included new infrastructure spending. But all we have seen is money taken off old projects and put onto new projects. There was a new idea called a recycling fund—unless you looked at it. There was $5 billion in it, but they took $5.9 million from the existing Building Australia Fund and the education infrastructure fund, so there is nothing new there either. Then they just had a series of re-announcements. I looked at the map on the Pacific Highway. It was familiar—I had seen it before. It was done when we were in government. They just produced the same map, put it in their book and pretended it was new—absolutely extraordinary.

The fact is that unless they deal with these challenges, Australia will go backwards. As well as the massive cuts to urban rail projects in the budget, the minister—whose first major speech was to the Australasian Railway Association in Sydney last year where he proclaimed his support for high-speed rail—has quietly, quietly dismantled the support structure that was there for high-speed rail down the east coast of Australia. The analysis that was done showed that for every dollar invested in the section between Sydney and Melbourne, for example, would return $2.15 in economic benefit. This compares with either 0.5 or 0.8 once they boosted it for the East-West Road project in Melbourne. This would be a massive boon for the regional communities along the route. With this in mind, we set up an advisory group.

We did not do it in a partisan way. I did not do that in the way that I established advice. I attempted to bring the whole parliament with us. We had Tim Fischer, a former Deputy Prime Minister, and we had Jennifer Westacott, the chief executive of the Business Council of Australia. All were recommending a path forward to get away from politics given that such a project by definition has to go not just beyond a political term but beyond a period of time in any government.

We proposed to support their recommendations, which were to establish a High-Speed Rail Advisory Group consisting of the representatives of each of the state and territory governments, Queensland, New South Wales, the ACT and Victoria, and a local government representative as well as expertise in terms of the infrastructure field to get up on the planning work required—how the corridor was to be preserved now that it had been identified. We allocated a modest sum of $52 million to make sure that that work could commence. It was common sense, thinking ahead into the future.

But as a result of the cuts to the budget, there will now be no authority, no planning and no vision. If you do not plan for future infrastructure development, particularly preserving corridors, then you cannot go back and get it right. You can look at a project like the widening of the Great Eastern Highway in Perth. That was made possible because of a smart decision by someone decades ago to make sure that the corridor was wide enough. That is smart planning. I have no idea who was responsible for it but, clearly, governments of both persuasions over a period of time in Western Australia had done that—a good thing. We need to make sure that the corridor is preserved for the high-speed rail line, otherwise it will not be possible.

The minister repeated the high-speed rail study finding that by 2065 individual trips down Australia's east coast would double from current levels to 355 million a year, and he said:
Can we imagine our skies and airports (with) double the number of flights there are now? Or our roads with double the traffic?

That was what Minister Truss said. He went on to champion it. He said:

You cannot designate a corridor through our cities, suburbs, towns and rural landscapes without being willing to purchase the affected lands and that will be expensive and without an immediate return.

He was there giving quite a sensible speech, embracing in a level of bipartisanship the work that the former government had done, and I was at the conference and I welcomed this commitment. But today we know that that commitment has just gone out the door, which is why we will be pursuing the private member's bill that I have before this parliament to undertake this work.

What we have seen in terms of this budget, therefore, is a government which is captured by its preference for politics ahead of planning and hindered by a Prime Minister's refusal to fund public transport, with no vision. It is totally contrary to the substance of the bill here, which is about a decision made by the Menzies government way back in 1961, a government that was forward-thinking. It is a pity that this government is so backward in its thinking, and I commend the amendment to the House.

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

Ms MacTiernan: I second the amendment and reserve my right to speak.

The DEPUTY SPEAKER: The original question was that this bill be now read a second time. To this the honourable member for Grayndler has moved as an amendment that all words after 'That' be omitted with a view to substituting other words. The question now is that the amendment be agreed to.

Mr IRONS (Swan) (18:20): It always good to follow the member for Grayndler. I know he has deep interest in my electorate in Swan as he visited it many times over his period in government. Just letting him know before he leaves the chamber—naturally we will be opposing the pious amendment that you have tabled.

This was supposed to be a noncontroversial bill, the Railway Agreement (Western Australia) Amendment Bill, that I rise to contribute to in this debate. As I said, I acknowledge the amendment. We will not be supporting it and I will speak to the original bill. I will get to some of the comments made by the member for Grayndler later in the speech.

We all know how important rail and transport is particularly to a remote state like Western Australia. I know myself that when I moved to Perth in the November 1981 I transferred by rail. Actually I hitchhiked from Melbourne to Adelaide and then caught the train from Adelaide to Perth, which took me on the longest stretch of straight railway track in the world—478 kilometres across the Nullarbor Plain. Unfortunately, at that stage I had just come out of an apprenticeship and was struggling, so I did the sit-up—and not in one of the A-class carriages.

We all are aware that Australia has suffered delays due to the changing gauges on our rail system. If I had travelled on that particular rail some years earlier, there might have been further delays due to the changing of gauges.

This bill taps into Australia's federal history and perhaps even the rationale for Federation of this country. As the colonies of Australia united to form a Commonwealth in 1901, one of the major impediments to trade linkages was the huge variety of railway gauges across the
continent. In 1921 there was a royal commission into this very problem, which recommended the standardisation of gauges. The Commonwealth has led the charge on the standardisation issue since, funding the majority of standardisation works and lending money to the states to complete their share of the project.

This is what happened in Western Australia with the Kalgoorlie-Perth line, when in 1961 Prime Minister Sir Robert Menzies sought the approval of the parliament for an agreement between the Commonwealth and Western Australian governments relating to the standardisation of the Kalgoorlie-Fremantle-Kwinana line of the Western Australian Railways. In 1960 the federal government, led by Menzies, had begun to lift the federal embargo on iron ore exports, and as the potential for iron ore mining grew so did the need for railways with the capacity to transport large volumes of iron ore quickly. The narrow-gauge railway that existed on parts of the line between Kalgoorlie and Perth would have been unable to do so.

The Railway Agreement (Western Australia) Act 1961 allowed for partial Commonwealth funding of the standardisation of gauges between Kalgoorlie and Perth. This standardisation would have allowed modern trains carrying heavier loads and travelling at greater speeds to transport iron ore from the resource-rich goldfields to refineries in Kwinana and ports in Fremantle. The standardisation allowed the Kalgoorlie to Perth freight times to be reduced from 31 hours to 13 hours and passenger train times from 14 hours to 8 hours.

The Kewdale freight terminal is in my electorate in Swan, and it plays an important part in the economy in Western Australia. The importance of the Kewdale freight terminal is vital as, prior to the road across the Nullarbor being sealed back in 1976, the line was probably the major route for transporting goods from the eastern states to Western Australia and from Western Australia back to the eastern states. This particular freight terminal had an offshoot which ran right past my first office as a businessman, back on Anvil Way in Welshpool. It was good to hear the trains going past all the time and realising the importance of the railway lines in Western Australia—in our vast state.

The Australian government, through its 2014 budget, has invested $3.6 billion in rail projects. The investment includes $1.6 billion in freight rail and intermodal projects, including the Advanced Train Management System trial, as well as intermodal projects at Melbourne, Sydney and Perth; rail revitalisation in Tasmania; work at improving lines in Adelaide; and port-rail connections in Sydney and Perth.

The standardization of the Kalgoorlie-Perth line allowed for the removal of the break of gauge on the Trans-Australian Railway, which runs across the Nullarbor Plain from Port Augusta in South Australia to Kalgoorlie. The Trans-Australian Railway remains an important freight route between Western Australia and the eastern states. Sir Robert Menzies noted that the new rail line would be of great value to the Western Australian economy, and the Commonwealth committed to fund 85 per cent of the project, which following the transition from the pound sterling to the Australian dollar, and the allocation of additional funds for the project in 1971, amounted to $106,250,000.

The bill we are debating today allows the Western Australian government to repay the outstanding amount of the loan for this project, $1.6 million. This change is necessary as the act currently does not allow for early repayment of the loan, with the final payment scheduled for 2041. Essentially, this bill is about reducing red tape, a pursuit the coalition remains
committed to, despite an early repayment resulting in the Commonwealth forgoing interest revenue of up to $300,000.

The history of rail projects in the Eastern Goldfields region of Western Australia extends far beyond 1961, and as far back as the late 1890s. In 1894 the Northam Line was extended to Southern Cross, and later in 1896 to Coolgardie and Kalgoorlie, connecting the Goldfields to Perth and creating what became known as the Eastern Goldfields Line. The replacement standard gauge line, which the original Railway Agreement (Western Australia) Bill provided funding for was opened in 1968.

As Menzies noted in 1961:

The construction of the line is in itself a project of the first importance, but even more important is the part which the project as a whole will play in the development of Australia's resources, the increasing of export; …

Menzies could not have been more correct about the importance of this project to both the Western Australian and the Commonwealth economies.

This standardised line, operating today as a part of the Eastern Goldfields railway, remains the main freight supply link in the state and playing a key role in supporting export-orientated industries. The Eastern Goldfields railway is also responsible for a majority of Western Australia's interstate freight movements.

In 2010 the Western Australian Department of Transport report entitled Western Australia regional freight transport network plan stated that it was expected that on this line 17 million tonnes per annum would be moved from Koolyanobbing to Kalgoorlie, boosted by mining exports destined for the port of Esperance. It also noted that passenger, country and interstate trains, including the major tourist icon, the Indian Pacific, operate on parts of the line.

The foresight of Prime Minister Menzies and Western Australian Liberal Premier Sir David Brand to invest in such an ambitious redevelopment of Western Australia's transport rail and to encourage investment in iron ore mining has undoubtedly assisted the state and, indeed, our nation in becoming one of the largest exporters of iron ore in the world. Unlike the mining tax, which obviously shackles the mining industry, this was implemented by a federal and a state government to enhance the economy and the mining industry in Western Australia. It is a shame that the vision and zest with which Prime Minister Menzies and Premier Brand approached the standardization of the Kalgoorlie to Perth line is not shared by those opposite.

As I said before, I will come back to the member for Grayndler on his comments. I listened to the speech of the member for Grayndler and I will make a couple of points about what he said. I think the first is that the former minister has once again showed his lack of visionary thinking when it comes to infrastructure. I did notice also that he attacked the Prime Minister at the time when he released his book, Batteline. He severely hopped into him during that time. But one of the things you need to have when you critique people and give them a bit of a slap in this place is some sort of credibility. I noticed there was an article in the Urbanist, which is part of Crikey, by guest writer Anthony Albanese. He was not asked to write that; he actually rang them and asked if he could put a piece on their website. He certainly was not invited, but he wrote it. One of the things he says in the article is:
But the public transport projects were funded in a Labor budget that was also designed to return to surplus in the same length of time that Mr Abbott says he will deliver a surplus. Can you believe that?

Mr Tehan: No, I cannot believe that.

Mr IRONS: One thing that we cannot believe from the Labor Party is that they would ever have returned to surplus. We heard from the member for Lilley when he was Treasurer that he had delivered four years of surpluses. Where were they? We never saw them. I hear the member for Wannon also asking where the surpluses were.

Mr Tehan: The member for Grayndler and the member for Lilley are all peas in the same pod.

Mr IRONS: I hear the member for Wannon continuing to interject. The minister spoke about $500 million of unspecified funding was announced by the member for Lilley in his last budget last year. There are a few things to note about this 'phantom' $500 million. The first and most obvious is that it could never have been delivered because Labor linked it to the mining tax, which has not raised any money. It could never be funded because there was no money to fund it. The tax does not raise any revenue.

Mr Tehan: It actually costs money.

Mr IRONS: I hear the member for Wannon saying it costs money. The mining tax system costs money. The tax does not raise any revenue and in fact it costs money to administer. It is right there in black and white in the Swan budget on page 227, where it says: 'The government will reduce funding from RIF ... as a result of lower than anticipated revenues from the minerals resource rent tax.' So even the Treasurer admitted there was no revenue, that it was lower than anticipated. I have news for the member for Grayndler: when a tax raises no money you cannot spend the money. It is very hard to spend the money that a tax has not raised.

Mr Tehan: Only Labor!

Mr IRONS: I hear the member for Wannon interjecting again, but that's it—just put it on the tick, on the never-never. So Labor could never have delivered this $500 million; it is a fake. I had a discussion with the member for Pearce today who is a former Treasurer in Western Australia. He said that this was just typical of Labor: always promising money but never delivering. But let's for one moment pretend that Labor somehow would have managed to fix the mining tax to a point where it did raise money. I know it is a stretch, but let's pretend for one moment that they could do it. Even if they had managed to do this, Labor had designated the Perth public transport package as a 10-year scheme. You've guessed it: the majority of the money was to come right at the end of that 10-year period when the projects were scheduled to be well underway, if not already completed. Three hundred million dollars of that $500 million was to come from beyond 2020. The truth is Labor were never really serious about delivering it. It was a pre-election stunt.

Mr Tehan: Didn't hear the member for Grayndler mention that!

Mr IRONS: The member for Wannon is interjecting again. It was a pre-election stunt that could never be delivered. Perth infrastructure needs funding now, not in 10 years time, and the people of Perth will be pleased that there is finally a government that is delivering and funding the infrastructure required today and has plans for the future.
That brings me to another point, and that is that this imaginary $500 million commitment that the member for Grayndler talks about demonstrates once again the former minister’s lack of vision and strategic thinking that characterised his tenure as infrastructure minister. He did not consider the bigger strategic picture in Perth. He did not take the time to assess the overall strategic transport needs of the city, to take a step back and work out how taxpayers’ money could be spent wisely. He simply, without any consultation with the Western Australian government, thought $500 million in 10 years time would ‘do the job’ politically for him before the election. It really was lazy work. The funding was vague and untargeted; it was effectively to be a lump sum—another cash transaction like the $900 cheques in the mail.

Contrast this with the first Abbott government budget and, in particular, the strategic plan to link the Perth airport and Kewdale rail and freight terminal in my electorate of Swan with the Fremantle port: the $1.6 billion Perth Freight Link project. It is estimated that the Roe Highway part of the extension will deliver benefits of $5.20 for every dollar invested. To afford the project, the Commonwealth and Western Australian governments will be seeking opportunities for private sector co-contributions. This is the right way to run an infrastructure program for a city like Perth, not the minister’s limited and political approach which lacked any strategic vision.

I see the member for Perth is in the chamber and I know she was big on strategic plans when she was the WA minister for infrastructure. I am sure that she is horrified with the way the former government approached infrastructure without any strategic plans and without any funding. I note she is the next to speak on this bill. I will be interested to hear a response to reports in the West Australian on 17 May 2014 that she deliberately tried to sabotage the construction of the Perth Freight Link when she was in the WA government. I would like to hear the member’s justification of her comments that a freight link from Fremantle to Kewdale would be ‘planning lunacy’. I would also like to hear what the member thinks about the previous federal Labor government’s insistence on a 50:50 split of funding for national highways, dumping financial responsibility onto the states. I have not finished the comments I had wanted to make, but I commend the bill to the House.

Ms MacTIERNAN (Perth) (18:35): We do support the legislation, the Railway Agreement (Western Australia) Amendment Bill 2014. This is a very interesting piece of legislation from a Western Australian point of view. Railways have been very much at the heart of the story, indeed even why Western Australia is in the Commonwealth today and why I am here.

Mr Tudge: I always wondered why you were here, Alannah.

Ms MacTIERNAN: Thank you. Well, now I am going to tell you. You do not know much about Western Australia, obviously. Western Australia was not terribly excited about the idea of coming into the federal arena, but there was a visionary, John Forrest, who was very keen and who could see a great future. He did understand that what we needed was real infrastructure that linked Western Australia with the east coast. He, as a condition of supporting Federation, required that the parties agree that the transcontinental railway would be built. We had already built a railway line from Fremantle to Kalgoorlie to service our goldmining areas in the 1890s, but we had no link to the eastern states. That was a commitment that everyone agreed to but, once we came into the Federation, it was a bit of a battle getting them to focus on Western Australia’s needs. We Western Australians have to
keep fighting these battles. Indeed, it was not until 1911, under Andrew Fisher's Labor government, that a decision was made and funding allocated to get that rail line built. But because Western Australia had already built its part of the line to Kalgoorlie on narrow gauge—

*An honourable member interjecting—*

**The DEPUTY SPEAKER:** Order!

**Ms MacTIERNAN:** I am sorry; I do not want to interrupt. Because Western Australia had already built its part of the line to Kalgoorlie on narrow gauge we had a split; this was built as a standard gauge line. So we had this problem of the standard gauge and the narrow gauge.

As has been said earlier tonight, in the 1960s—and I acknowledge this was under the Liberal Menzies government—there was an agreement to provide funding for that narrow-gauge part of the line, that is from Kalgoorlie to Fremantle and Kwinana, to be made into a standard-gauge line. I do not think the Liberal government can be too boastful about its track record on this because, while they certainly agreed to that, the Menzies government had been part of the problem for Western Australia. They had been part of the problem since the end of the Second World War by not accepting the need to lift the iron ore export ban, which had been imposed before the Second World War because of problems that existed with Japan. I would add that it would be fair to say that state Labor governments had some policies that were well-intentioned but not necessarily conducive to opening up our iron ore exports. These were policies that related to the need to build manufacturing capacity in Western Australia—totally understandable, as we in Western Australia had very little manufacturing industry and were suffering under the yoke of the very heavy tariffs that were in place to protect the manufacturing industry of the eastern states.

It is important that we understand this because this goes back to some of the problems that we are still trying to deal with today. In another part of WA, on coming into the Federation—

*Honourable members interjecting—*

**The DEPUTY SPEAKER:** Order! The member for Perth has the call.

**Ms MacTIERNAN:** It is part of the strategy. I think this is very interesting content. It probably does not interest you—you are not from Western Australia—but the world does not stop at the boundary of Victoria and New South Wales. It is pretty important that you guys come to understand that there is a Western Australian story and we are going to make sure that we tell you about it.

I want to make this point because it is a relevant problem we have today: the share of GST that WA is paying. For every dollar we pay we get 34c back. That really is a great difficulty for us. We understand the whole history and why this equalisation principle came into being, but we do have to ensure that we have a much more sophisticated way of dividing up this pie. When states such as Western Australia are experiencing rapid growth and generating great income, it comes with great expense attached to it. The need for infrastructure, when you are growing so rapidly, is much greater than what is reflected in a pure per capita analysis. I am not going to apologise to these Victorian members who do not want to hear about WA, but we do need to understand that these issues that went to the core of the way in which we structured the Federation—the way our economy was at Federation—are still creating difficulties for us. We need to constantly be alive to those problems and alert to the need of addressing them,
and constantly moderating our formulas to ensure that we are getting justice. And not only justice—we are, in fact, acting in such a way that it is of benefit to all Australians.

The member for Swan asked me to say a few things about Roe Highway stage 8. Roe Highway stage 8 is a program that the feds have plucked out of nowhere—a project that has had no assessment from Infrastructure Australia. It is a project which, prior to budget night, they had not once discussed with the state government. The state government had its budget delivered about three nights before the federal budget; it made no reference to the Roe Highway. There was not a cent in the budget for the construction of the Roe Highway. We had the Treasurer of Western Australia saying in estimates recently that his government had made no commitment to this road. We have had the member for Swan telling us this is such an important and critical road for the future. This is a road that is not going to be built. This is five kilometres of road which they are estimating will cost $850 million. It is not part of a comprehensive metropolitan freight link. In fact, it is the reverse. When the metropolitan freight network plan was developed when I was in government in 2004, this road was comprehensively demonstrated not to represent value for money and, indeed, not to be conducive to good planning.

Government members interjecting—

Ms MacTIERNAN: Mr Deputy Speaker, I crave your indulgence. These blokes have done nothing but sit there trying to distract me. I am not going to be distracted. I crave your protection.

The DEPUTY SPEAKER (Mr Vasta): You do have the call and you will be heard in silence.

Ms MacTIERNAN: Thank you. I am quite happy to have an occasional interjection, but these guys are not brave enough to make an interjection. They just sit there sotto voce needling away. Gutless wonders, I would say.

Mr Tudge: That is not very parliamentary!

Ms MacTIERNAN: I do not think you are being very parliamentary either. It is quite evident that, even on the conservative government's planning, we will need to build a new container facility in Kwinana and that needs to be completed by 2020 because by 2020 Fremantle will be full. When we build that new container facility, we can expect freight traffic into Fremantle to drop by between 40 and 50 per cent from the day that the new facility is opened. So it is a complete nonsense to be building a road that in a very circuitous way will take us to the port of Fremantle but is not the road that we will need to provide for this new facility that the Liberals in Western Australia, on their own analysis, acknowledge will be required in the next six years.

In the last few minutes I want to talk about the importance of infrastructure investment, be it from Andrew Fisher or Bob Menzies. We need infrastructure investment in Western Australia. The infrastructure investment we most need is in the NBN. If we are to ensure that we are going to be part of the 21st century then we need to show the foresight that Andrew Fisher and Bob Menzies showed in the 20th century. The government have cut back funding for the NBN in areas like Geraldton. I urge the government to look at the Oakajee port plant it has on its books. This is one of the Western Australian Premier's pet projects that he has been peddling since the mid-1990s. In many ways the development of Geraldton has been held
back because of that. I urge the Abbott government to consider whether Geraldton is better served by investing that money in the expansion of the Geraldton port facilities to allow that port to increase its throughput to 30 million tonnes per annum, which could see the expansion of the iron ore industry there, and continued investment in the NBN. Half of Geraldton has received the NBN and the other half that was promised the NBN has now seen that funding cut.

We have had extraordinary action by the City of Greater Geraldton. It has for the last five years been preparing the community to take their place in the knowledge economy and to link into the great opportunities presented by the SKA and the supercomputer to ensure a dynamic future for that area. Unfortunately, that funding has been cut. I know we are not going to create any new funding, but I urge the government to consider whether the money that they have put in for the Oakajee port would be better invested in the NBN in Geraldton and in expanding the existing Geraldton port.

Mr WATTS (Gellibrand) (18:49): I rise to speak tonight on the Railway Agreement (Western Australia) Amendment Bill 2014, which is before the House. This is, sadly, one of very few bills that the Abbott government will ever introduce with the word 'railway' in the title. This bill that is fairly prosaic on its face addresses the end of a 1961 loan by the federal government to the Western Australian government to undertake construction of a standard gauge railway line mainly from Perth to Kalgoorlie. Under the current act, the full repayment of the loan was not possible until 2041. The bill before us today amends the Railway Agreement (Western Australia) Act 1961 to allow the Western Australian government to repay the balance of that loan when they choose to.

Mr Fletcher: You've always been obsessed by this topic!

Mr WATTS: I have shown a keen interest in this agreement. It is an important part of the history of Federation. I am sure that the Western Australian government will be pleased that they can pay back the $1.6 million before 2041. I only hope that they have enough room in their budget to find such a princely amount.

The Kalgoorlie-Perth railway line is merely one example of the way investing in rail transport is an investment in building our nation's future. The track primarily linked Kalgoorlie and Perth and was critical to ensuring the flow of people and goods between the two major cities. It was essential to the development of the iron ore industry in Western Australia. In fact, it was BHP Billiton who initially requested the track be built. It was a key part of their agreement to expand iron ore operations in Western Australia.

The construction of this track was also a part of the standardisation of rail lines in Australia—a longstanding and noble cause. The variation of rail gauges in Australia has hobbled our nation's infrastructure since before Federation. I have to cop some responsibility in this respect as my great-great-great-grandfather was the minister for public works in the first Queensland state government that built the railway from Brisbane to Spring Bluff. The rail gauge issue so annoyed Mark Twain upon his journey to Australia in 1897 that he made a point of mentioning it in his summary of Australian life. He called the switch from narrow to standard gauge 'the oddest thing, the strangest thing, the most baffling and unaccountable marvel that Australia can show'. Twain lamented:
Think of the paralysis of intellect that gave that idea birth; imagine the boulder it emerged from on some petrified legislator’s shoulders.

... ...

All passengers fret at the double-gauge; all shippers of freight must of course fret at it; unnecessary expense, delay, and annoyance are imposed upon everybody concerned, and no-one is benefited.

The standardisation of the railway line between Perth and Kalgoorlie allowed this problem to be resolved in one small part: no more rivalry between Australia's Fat Controllers and Thin Controllers; Thomas, Edward, Rusty and Duncan can live alongside each other on the same tracks.

The standardisation of the rail gauge also allowed for a railway to stretch from Perth to Sydney, allowing both our western and eastern shores to be linked by rail. It led to the commencement of the Indian Pacific service, one of the few truly transcontinental train routes in the world, taken by 55,000 people each year. The first Indian Pacific journey arrived in 1970 in Perth to a crowd of over 10,000 people. It allowed the movement of people and freight from our eastern to our western coast without relying on trucks or ships and was a project that looked to Australia's future and sought to develop it by connecting our sprawling nation. This is because an investment in rail is an investment in nation building.

We see another example of nation building in the Melbourne Metro project in Melbourne. This proposed metro tunnel was to be located in Melbourne's CBD, travelling from Melbourne's inner west, where my electorate is located, through to Melbourne's inner south. This was a project that looked to our nation's future. It looked at how to make our ageing metropolitan urban rail system work even better for the 415,000 Melburnians who use it every day. It looked to the projected rise in patronage on Melbourne's public transport infrastructure for the future—patronage has already risen by 70 per cent in the last 10 years. The Melbourne Metro rail project was designed to address these problems specifically. It would have untangled our crowded city loop, allowing more trains on all lines to run during peak hour—a city loop that was funded by those known socialists in the Victorian state government, Henry Bolte and Dick Hamer. In addition, the Melbourne Metro rail tunnel would have opened five new underground stations located at North Melbourne, Parkville, CBD north, CBD south and Domain. Importantly, it would have improved the efficiency of our broader transport network by taking also take commuter traffic off our roads.

Melbourne is a great city; it is both an economic engine for the nation and a liveable urban environment for its residents. Melbourne Metro was the kind of long-term, strategic infrastructure investment that is needed to keep it that way. That is why Labor saw the need for this project and made it a top priority for federal government investment.

Mr Tudge: Is this relevant to Western Australia?

Mr Watts: I take that interjection. We are talking about nation building; it is all part of the canvas. Labor had the proposals assessed by an independent body—that is, Infrastructure Australia. When Infrastructure Australia classified stage 1 of the Melbourne Metro rail tunnel as 'ready to proceed', the highest level of priority for infrastructure spending in 2012, Labor announced it would invest $3 billion into this vital project. Labor put the steps in place to build our nation's future by building an effective metropolitan rail network for one of our largest cities.
However, the current Abbott government has no commitment to urban rail infrastructure. The bill before this House deals with the 1961 loan from the Menzies government to the Brand government for the construction of a railway. A federal Liberal government loaning money to a Liberal government to invest in rail! Unfortunately, the current Abbott government does not share this philosophy. For my sins as a representative in this House, I took the time to read the Prime Minister's book *Battlelines* during the last break. I did it so my constituents do not need to. I do not recommend it, unless it is bedtime reading for constituents with sleep problems. In this book the Prime Minister writes adoringly, even auto-erotically:

The humblest person is king in his own car …

In contrast, the PM's view of public transport is that it is:

… generally slow, expensive, not especially reliable … a hideous drain on the public purse.

He says this because:

There just aren't enough people wanting to go from a particular place to a particular destination at a particular time to justify any vehicle larger than a car, and cars need roads.

Well I would like to invite the Prime Minister to jump with me onto the Sunbury line from Melbourne's west to the CBD during peak hour on any day of the week to see whether there are enough people wanting to get to a particular destination in the Melbourne CBD at a particular time—to get to work—to justify a train. Or he could come with me on the Williamstown line or the Werribee line or any of the rail lines in Melbourne.

The Prime Minister further said that 'the Commonwealth has no history of funding urban rail' and that it should 'stick to its knitting'. And according to the Prime Minister:

And the commonwealth's knitting when it comes to funding infrastructure is roads.

The Prime Minister seems to be oblivious to the $3.3 billion invested by the previous Labor government—a Commonwealth government—in my electorate in the Regional Rail Link project. This is a project that will substantially increase capacity for commuters from Melbourne's west to the CBD for the benefit of all residents in Melbourne's west through to Geelong. In fact, Tony Abbott refuses to invest in our nation's urban rail infrastructure in any respect whatsoever.

In the recent budget, the coalition axed more than $4 billion worth of investments in better urban rail services, including Brisbane's Cross River Rail project, Perth's airport rail line and rail link, Adelaide's Tonsley Park public transport project and a Hobart study into light rail. Most significantly, as I mentioned earlier, it took the $3 billion that Labor had allocated for the Melbourne Metro rail project. Instead the Prime Minister committed this money towards highways—highways that will provide only a short-term fix to our transport capacity problems—highways that will now be more expensive to drive on, thanks to an increase in fuel excise introduced in the recent budget—highways such as East West Link in Melbourne, where no business case has been seen and even on the Victorian government's unpublished project assessment a standard economic analysis suggests the project would return at best just 80c for every dollar invested. Tony Abbott's message to commuters in Melbourne's west is clear: 'You'll be waiting a long time yet'. Waiting for a government with real nation-building vision. Waiting for a Labor government.
I return at this point to the comments of Mark Twain when he considered the rail gauge project:

Think of the paralysis of intellect that gave that idea birth.

Think of the paralysis of intellect now that results in a leader of our nation ruling out all forms of investment in urban public rail. Tony Abbott argues he is investing in roads so that the states will invest in rail. But the states do not have the money to invest in projects of the scale of the Melbourne Metro rail project. This is why we see the Napthine government in Victoria now promising a second-rate Melbourne metro rail link that does not even run through the CBD and will do nothing to fix Melbourne’s congestion problems—certainly not in Melbourne’s west. Even Robert Doyle, the Liberal Lord Mayor of Melbourne and a former leader of the Liberal state opposition, was scathing of the second-rate Melbourne Metro plan released by Premier Napthine. He told ABC Radio:

The Berlin Wall was a 30-year mistake but not building Metro One in the original way it was designed would be a 100-year catastrophe for our city.

And with the severe cuts in federal funding to health and education thanks to this year’s federal budget, the states will not have spare money to throw around.

In 1961 the rail agreement between the state Liberal WA government and the federal Liberal government had a vision for Australia’s future. It saw rail as a nation-building activity as the easy movement of people and goods would help our nation grow. In contrast, the Abbott government’s vision for Australia’s transport future is a bleak one paved with tar. It is a future where if you are reliant on public transport to get around, your days will get a little bit harder every day. It is a future where, even if you do drive, you are destined to spend hours waiting in gridlock. It is a vision for a cruel, cold and unequal Australia and it will take Australia in the wrong direction.

Mr CRAIG KELLY (Hughes) (19:00): I would like to speak on the Railway Agreement (Western Australia) Amendment Bill 2014 and I would like to address the amendments moved by the member for Grayndler, especially paragraph 2, where he states:

(2) investment in rail freight boosts productivity, reduces road congestion and has environmental benefits

I would like to take this opportunity to completely debunk some of those statements, to show that they are a great misnomer, and, not only that, but to show how dangerous they actually are. The first thing we need to understand is that rail freight in almost every area through the country uses diesel locomotives and not electric motors that we have in our suburban rail trains. It is correct that steel on steel is more efficient than rubber on road. It is more fuel efficient. If you look at some of the statistics that were involved in the environmental impact statements for the Moorebank Intermodal project, they said that it is actually 50 per cent more efficient. So if you are moving a similar quantity of freight—similar volume, similar weight—via rail instead of road, you are using half the diesel fuel. So there are reductions in fuel by moving freight from road to rail and you will get a reduction in carbon dioxide—that clear, odourless gas that makes the plants grow. But what you do not get a reduction in is what is known as particulate emissions. This is the real carbon pollution that we should be concerned about.
Particulate emissions depend on how you actually burn that diesel fuel. To give you some examples, the engines that have been developed over recent years substantially reduce the amount of particulate emissions. I have some figures from the Parliamentary Library. They note that compared with pre-1996 truck engines, engines built in 2007-8, the equivalent of Euro 4, have technology improvements that have seen particulate emissions decline 18-fold. So a modern truck engine built in 2007-08 emits 18 times less than a truck engine of 1996. And that is regulated. But when we look at those rail locomotives that are shuttling freight backwards and forwards through the urban areas of our cities, there are no regulations at all on those. The information from the Parliamentary Library notes that the particulate emissions of a diesel locomotive burning a litre of diesel fuel produces 20 times more particulate emissions than a modern truck engine circa 2006-07. There is 20 times more particulate emissions from those locomotives that are trucking through the cities. So even though you are using half the amount of diesel fuel, you are increasing the particulate emissions by 10 times.

Why are particulate emissions important? We have just seen the World Health Organization put out a report that says that particulate emissions are carcinogenic. They say that particulate emissions cause cancer, bronchitis, asthma and a whole host of respiratory diseases. The people who are most susceptible to particulate emissions are young children.

This is a particular concern in the electorate that I represent in south-west Sydney. Over the last three years we have seen very large increases in particulate emissions readings in Liverpool. Perhaps the reason for those increases is simply because people are burning more wood to keep themselves warm in winter. As electricity prices go up and up and up because of the carbon tax and the renewable energy scheme—and all these other wonderful green schemes that push up our electricity prices!—people look to find other ways to keep their homes warm. One way they keep their homes warm is that they go out into the bushland and grab some wood and bring it home and burn it to keep themselves warm. Because that has been happening we have had a very substantial increase in particulate emissions in Western Sydney.

There are two measures for particulate matter. There is PM10 and the smaller particulate matter PM2.5, which refers to the size in microns. The World Health Organization has a standard for PM10 in which the annual average particulate matter that any citizen should be exposed to should not exceed 20 microns per cubic metre. Liverpool last year exceeded that. We were at 21.1 microns per cubic metre. So the citizens of Liverpool in Western Sydney were breathing air that is above the recommended standard for the World Health Organization for PM10. It is the same for PM2.5, which the World Health Organization tells us is even more dangerous and a greater health risk than PM10. In fact, the standard that we have for that in Australia is that we should not exceed eight micrograms per cubic metre.

Last year in Liverpool we were above that. We were at 9.5 micrograms per cubic metre. So both those levels of particulate matter were either above the recommended standard for the World Health Organization or above the standards that we set here in Australia.

The member is putting forward an amendment in which he says moving a lot of the freight off the road and onto the rail will improve the environment, but every truck that is taken off the road and the freight put on these diesel trains will increase the particulate matter. It will not double it or triple it but will make it 10 times worse. This is the effect that the amendment of the member will have. If we are going to have these freight rail inter-urban links running
through highly urbanised areas where the air pollution is already very high we need to bring in some type of standard to limit those particulate emissions. Otherwise, taking freight from roads and putting it on rails will make our pollution worse.

I thank the House for the time on this most important issue. We all have to breathe the air. None of us can escape that. People, regardless of where they live in Australia, deserve to be able to breathe clean air. We need to take steps to reduce the particulate emissions in Western Sydney, not to increase them. It is a great concern that the member for Grayndler would come in here and move a motion claiming the environmental benefits, when what he is planning is going to increase particulate emissions by 10 times, when those emissions have all those harmful health effects.

Mr TRUSS (Wide Bay—Deputy Prime Minister and Minister for Infrastructure and Regional Development) (19:09): While the contents of the amendment may not be especially offensive I want to see the Railway Agreement (Western Australia) Amendment Bill 2014 pass the House, so the government will be opposing the amendment and will be supporting the second reading.

This is a simple piece of legislation that enables the West Australian government to pay back a loan early if they choose to do so. It does not require them to do so. The amount of money involved is so small that any suggestions, as may have come from members opposite, that this has something to do with manipulating somebody's bottom line in the budget is clearly a nonsense. This is a simple tidying up of a loan that has been in place for some time. There is a very small balance left. If Western Australia would like to pay it back now rather than waiting until 2041, it seems to me that that makes sense.

I note that the parliamentary secretary is at the table. He is advocating and leading the government's effort in reducing red tape. Well, this is reducing some red tape. There is clearly a lack of necessity for this loan and all of the associated paperwork to remain in place until 2041. The amendments simply facilitate earlier repayment of the loan to Western Australia for the standardisation of the railway in WA. This change is necessary because the act does not allow for early repayment of the loan, and so it would drag on until 2041. This bill reduces the regulatory oversight and makes some minor administrative efficiencies. In summary, it allows early repayment of the loan. It is an important step in helping to fulfil the government's commitment to reducing red tape and the regulatory burden on both the Australian and the Western Australia governments. I emphasise again that it is a matter for Western Australia as to whether they choose to repay this loan or not. This legislation simply gives them the opportunity if they wish to do so.

I have noted a number of comments about rail and criticism, especially from the shadow minister. And there have been allegations in the Fairfax press et cetera that somehow this government is not interested in rail. That is clearly a nonsense. In the budget we have the biggest infrastructure program in history. There are major projects in every capital city and a significant investment in roads. There has been a suggestion that because we are putting so much money into roads, the states will not be interested in urban public transport, so projects will not proceed. Those comments were debunked before they were even made. The states, since the coalition has been elected to government federally, have actually committed or recommitted to over $25 billion worth of public transport projects. It is simply ridiculous to suggest that the states will not spend money on rail because we are spending money on roads.
It is ridiculous to suggest that the states will not spend money on hospitals or education because we are spending money on roads. The states are spending money on roads as well.

The fact that we are putting so much effort into building the roads of the 21st century—the infrastructure of the 21st century—essentially frees up the states to do more in areas where they have particular expertise, such as urban public transport. This is the kind of thing that they are able to do better than a Canberra government. It makes a lot of sense that they should therefore be investing in some of these really big public transport projects.

An example is the North West Rail Link in New South Wales, which is a $8.3 billion project. The New South Wales government is committed to that project. In Queensland, the state government is going ahead with their bus and train tunnel under the Brisbane River. That project is estimated to be about $5 billion. In Victoria the Melbourne rail link will cost between $8 billion and $11 billion and the Cranbourne-Pakenham rail corridor project will cost another $2 billion to $2½ billion. In Western Australia there is the Forrestfield-airport link which is estimated to cost about $2 billion. So the states are committing themselves to major new public transport projects, and that is clearly in the interests of contributing towards the development of the kind of national infrastructure we need in the future.

I also take this opportunity to debunk this idea that somehow or other the federal government's $55 billion investment in infrastructure is only marginally more than what Labor had proposed. We even heard the shadow minister say that there are only two projects in the whole list that Labor was not committed to.

Mr McCormack: He cannot count!

Mr TRUSS: He certainly cannot count. It was a disingenuous statement, to say the least. This is a 55 per cent increase on what Labor had put in its forward estimates for the same term, a 55 per cent increase on Labor's commitments. I know that Labor had made commitments to a number of projects, but generally there were conditions attached. For instance, they were happy to put money onto the Pacific Highway but only if New South Wales paid half—even though they had never expected that when the Labor Party was in office in the state government of New South Wales. They were happy to put money into the Bruce Highway, again only if the formula was changed from the traditional 80-20 mix to 50-50. Even then, Labor's offer was $2.6 billion less.

There are 27 projects over the period of our Bruce Highway program that we had committed to, that Labor was not interested in. In the budget, announced last week, we committed to continuing funding for 16 projects already underway—and some of those were obviously started in the time of the previous government—but we also promised to fund in this budget 45 new projects. So there is no comparison in which side of politics was most committed to the Bruce Highway. But let us go further. Yes, the Labor Party promised to spend money on Gateway North in Brisbane, but only if the road was tolled. They said they would support WestConnex in Sydney, but only if it was not tolled.

So there is not much logic in what they are proposing to do. They were prepared to spend money on South Road in Adelaide, but only at one end. They were prepared to spend money on the North West roads in Western Australia and the Swan Valley bypass, but only if the proceeds could be taken out of the mining tax, which had raised no money. When it comes to projects like the Toowoomba Range and the East West Link, Labor still opposes those
projects, and yet we will be funding them as a part of our major investment strategy. So in reality, any attempt by the opposition to suggest that somehow or other our massive investment in infrastructure is little different from what Labor intended to do just defies all credibility.

Returning to the legislation before the House, I would have thought it was uncontroversial. This is a simple piece of tidying up. The issues raised in the amendment are hardly offensive. We all agree that rail has an important role to play in the future transport network of our nation. There is $3.6 billion in the budget this year for rail projects. We continue to work on the prospects of there being a high-speed rail project proceed in Australia, at some stage in the future. We have a real financial commitment to starting the Melbourne to Brisbane railway line, perhaps the most important new freight-rail project in the country. Those commitments are there and those commitments are real. In this particular case, the amendment distracts from the legislation that is before the parliament and therefore we will not support the amendment, but I commend the bill to the House.

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

Question negatived.

Original question agreed to.

Bill read a second time.

Third Reading

Mr TRUSS (Wide Bay—Deputy Prime Minister and Minister for Infrastructure and Regional Development) (19:19): by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

Veterans' Affairs Legislation Amendment (Mental Health and Other Measures) Bill 2014

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Ms BRODTMANN (Canberra) (19:20): I am very pleased to be standing here tonight speaking in favour of this legislation. This legislation builds on the work Labor did in government to reform mental health services for current and former members of the ADF and their families. I am very pleased that the Abbott government has chosen to proceed with these reforms and that they now have bipartisan support.

Labor has a proud record in Veterans Affairs. Our 2013-14 budget contained a record $12.5 billion investment in the Veterans Affairs portfolio. Part of this record investment was $26.4 million for new mental-health initiatives, which had been outlined in our 2013 white paper. These initiatives included extending non-liability health cover for certain conditions to more
former Vet members of the ADF, and expanding access to the Veterans and Veterans Families Counselling Services to veterans involved in high-risk peacetime service and their families as well as the families of veterans killed in operational service. Both of these initiatives are included in this legislation. So, again, I thank the government for continuing these important reforms.

Under this legislation, from 1 July 2014, access to treatment under non-liability healthcare arrangements will be expanded to include diagnosed conditions of alcohol-use disorder and substance-use disorder, regardless of whether the condition is service related. From 1 July 2014 eligibility for treatment under non-liability healthcare arrangements, for members of the ADF with peacetime service only, will be expanded by removing the current cut-off date of 7 April 1994. This means that all those with at least three years continuous full-time peacetime service will now also be eligible for non-liability health care for PTSD, anxiety and depressive disorders and alcohol and substance use disorders.

Mental health services for veterans, members and their families will be further improved through the expansion of the Veterans and Veterans Families Counselling Service. This is great. From 1 July 2014, current and serving members with certain peacetime service will be eligible for counselling through the specialised services of the VVFCS. It is a great service. This includes border protection service, service in a disaster zone, either in Australia or overseas, service as a submariner and personnel involved in training accidents and members medically discharged. Access to counselling services from the VVFCS will also be extended to partners, dependent children aged up to 26 and parents of members killed in service related incidents. These changes recognise that military service in peacetime also risks exposure to traumatic events and impact on mental health.

The government has a fundamental role in maintaining and enhancing the wellbeing, be it physical, financial and emotional, of veterans and their families. Last year, as a member of the Joint Standing Committee of Defence, Foreign Affairs and Trade, I was involved in the inquiry into the care of Australian Defence Force personnel wounded and injured on operations. The inquiry was a comprehensive body of work, which involved hours and hours of discussions and hearings with people from all over Australia—with families, with vets, with medical professionals, with Public Servants and with serving soldiers. Most importantly, we heard evidence of terrible hardship and unhappiness among our service people. These are people who have fallen through the gaps, despite the best efforts of the ADF and DVA.

Participating in this inquiry had a profound impact on me, and I am now acutely aware of the challenges surrounding the treatment of personnel wounded and injured on operations, their repatriation to Australia, their ongoing care and return to work and their transition out of the ADF and the impact on their families. The inquiry noted that in recent years there has been an increased awareness of the effects of depression, anxiety disorders, substance abuse and indeed PTSD and issues surrounding suicide rates amongst current and former service men and women. This increased awareness is of course a good thing, but it must also result in a more responsive policy environment and, ultimately, better support, treatment and prevention.

The report that resulted from the inquiry covers a broad range of areas—from the immediate action following an injury; aeromedical evacuation; rehabilitation and support following physical injury; mental health concerns, including PTSD; return from operations;
and post-service issues, including veterans' affairs and veterans' support structures. The report highlights a number of gaps, of areas where we need to be doing more to support the health of our returned service people. These include mental health, and specifically female veterans' mental health, and improving communications between Defence and DVA in the management of post-service transition. These are just some of the areas.

There has been progress and recognition of the need to support those with mental health issues. Steps have been taken to make improvements in terms of streamlining the Veterans' Affairs-Defence processes and streamlining the information on injured soldiers. We were impressed by the work of General Cantwell and community organisations such as Soldier On and Young Diggers, who work in the area of mental health and who are doing great things in terms of changing the culture of stigma and shame that still exists in the Australian Defence Force. Sadly, returning soldiers, unfortunately, are still ignoring the signs of mental health issues and other injuries.

The report also highlights the post-service life adjustment and how hard it is for a wounded or injured soldier to adjust from being a highly skilled member of a professional force—a warrior, so to speak—to a seemingly constrained civilian, nor not necessarily a civilian but a former warrior. The inquiry grappled with this issue. In our report we highlighted the need for greater continuity in the transition from Defence to Veterans' Affairs and we have recommended expediting or streamlining information technology connectivity and a unique service veteran health ID number. That is extremely important and it is a theme that ran through a number of the presentations in the inquiry's hearings.

DVA still faces dissatisfaction from the veteran community, although we found the department is doing much to improve client service, particularly in having a single point of contact for case management, moving to a single electronic claim process and free treatment for PTSD, depression and anxiety. We recommended that the department try to be less prescriptive, as well as monitoring its performance through periodic publication of claim processing times and claim success rates. This will need constant attention, but I hope the work of the committee will help to bring about improvements and make for better lives for our service people and their families after suffering physical or mental injury.

I am very proud to be associated with this inquiry and with the report, which was tabled in June last year. I note that the government has now responded to the report and has supported around two-thirds of our recommendations. I look forward to seeing these recommendations implemented in the near future.

The media plays a very important role in both increasing awareness and de-stigmatising mental health issues facing our returned service people. Pleasingly, in recent years, there has been increased media attention on this issue. In February of this year there was an excellent Fairfax feature on post-traumatic stress disorder, beautifully written by Scott Hannaford. I have spoken about this feature before but I would like to raise it again here because I think it is both a powerful and a sobering insight into the world of returned soldiers, peacekeepers and police officers suffering PTSD and their families—and, I would like to add, civilians as well. It details the feelings of guilt, at having left friends behind; of grief, from having lost friends and colleagues; of fear, from having witnessed so much horror; of shock and trauma at the transition back from service to peacetime existence. The feature also serves as a warning to Australia, to our leaders, our governments, to our people. I quote:
With Australia's decade-long war in Afghanistan coming to an end, all but a handful of the troops are returning home. For most who made it back in time for Christmas it will mean a welcome return to the routines of family life and work. For others, it will mark the start of a new, silent war that they cannot return from, played out in the homes they find themselves unable to leave, medically discharged from the jobs they love in their early 30s, and wracked by night terrors, panic attacks and isolation.

Major-General John Cantwell, former commander of Australian forces in the Middle East, says of Australia's withdrawal from Afghanistan: 'There is a wave of sadness coming our way, and the system—DVA and Defence— needs to be ready for it. I wonder whether we are.' (Time expired)

ADJOURNMENT

The DEPUTY SPEAKER (Hon. BC Scott) (19:30): Order! I propose the question:

That the House do now adjourn.

I call the Maroons supporter, the member for Ryan.

Ms Hall: Mr Deputy Speaker—

The DEPUTY SPEAKER: My apologies, I call the member for Shortland.

Budget

Ms HALL (Shortland—Opposition Whip) (19:30): Thank you, Mr Deputy Speaker. Being a Queenslander I can see that there might be some sort of favouritism taking place there! As an ardent Blues supporter, I will be quite happy to sit in here tomorrow wearing my blue and celebrating the victory of the Blues that I know is going to take place in about an hour's time. No more prejudice, and down to the issue.

I am very disturbed about the fact that $80 billion is being ripped out of education and health in the budget, particularly education, because that is the key to a successful future. We must ensure that each and every student gets a great education. When they get that great education it prepares them for the future. Before the last election the Prime Minister and the Minister for Education stood up and said that they were on a unity ticket with the Labor Party. I can only say that their understanding of a unity ticket and my understanding of a unity ticket are totally different. I attended a forum in my electorate during the election campaign. Unfortunately my Liberal Party opponent did not turn up to the forum, and I can now understand why—because there was never a real commitment to delivering the Gonski reforms.

On Tuesday night I attended a Christian schools dinner here in Parliament House. The principal of my local Christian school and principals from Christian schools in my local area were telling me about how they had put their building projects on hold and how the uncertainty is impacting on their planning for the future. This flows through to the students they are teaching.

Catholic schools in my electorate have been particularly concerned about students with disability. This budget delivers a cruel blow to those students, denying them the disability loading that the Prime Minister promised would be there in 2015. These are all decisions that are going to impact massively on the students that I represent in this parliament. Not only will these decisions impact on the students and their families; they will flow through, having an enormous impact on us as a nation.
It is in stark contrast to what Labor did when they were in government—the review that resulted in the Gonski reforms being put forward to give each and every child in Australia a good quality education, the schoolkids bonus, the Building the Education Revolution program and $2.5 billion in trade training centres. In the most disadvantaged part of my electorate schools can offer trade training up to certificate level III. That is really important because these people are isolated, there is no public transport and they really need to access training to be able to get jobs. It is much better to train and learn than to be languishing in a Work for the Dole program, having no money and being forced to jump through hoops. It is so important that young people get the training that they need. The cuts do not end with schools. The broken promises on higher education will mean that university students will be forced to pay much more for their degrees. This breaks another promise that the coalition made before the election.

You can really forgive voters for thinking that this government says one thing before an election and another thing after it. The really sad thing about it is that it impacts on real people's lives each and every day. It takes away opportunity. It takes away from the whole nation, because when you remove opportunity from individuals you are also removing opportunity from the country as a whole. Students are going to have to pay a higher interest rate on HECS, and university courses are going to cost a lot more. That will have an enormous impact. (Time expired)

Nanopatch

Mrs PRENTICE (Ryan) (19:35): Thank you, Mr Deputy Speaker and fellow proud Queenslander. Earlier today the Queensland Minister for Science, Information Technology, Innovation and the Arts, the Hon. Ian Walker, named the inaugural winners of the Champions programs, and I take this opportunity to expand upon the richly deserved award for Professor Kendall. Inventor of the Nanopatch, Professor Mark Kendall of the Australian Institute for Bioengineering and Nanotechnology at the University of Queensland, which is in my electorate of Ryan, was announced as the Inaugural Science Champion.

The Nanopatch is a needle-free vaccine delivery device, currently under rapid research and development through spin-out company Vaxxas. Much of the difficulty in delivering vaccination programs in developing nations is based on cost and the need for refrigeration. The vaccine is freeze dried onto the Nanopatch, meaning that not only is it one one-hundredth of the normal amount of vaccine required for full vaccination but the patches themselves do not require refrigeration and do not need medical staff to administer them. Just imagine: where you had a padded box which perhaps contained six syringes—very fragile, temperature controlled, necessary for delivery, a short life span—you now have a box that can be filled with hundreds of nanopatches, which are just the size of a fingernail, and they can last so much longer. Currently, there are significant challenges when immunising remote populations in developing nations. The distance, the lack of electricity, the lack of education and the fear of needles are among the top inhibitors of effective community health programs in these areas.

The work of Professor Kendall has been recognised previously, notably when he was awarded the Janssen AusBiotech Emerging Company of the Year Award in 2012. Professor Kendall's Nanopatch innovation means that we could easily vaccinate whole remote villages in less than a day. The patch has thousands of small projections designed to deliver a vaccine...
to abundant immune cells in the skin, whereas the traditional needle and syringe deliver to the muscle where there are few immune cells. Nanopatch delivery can improve the efficiency of vaccines, including achieving protection against influenza. The Nanopatch has the potential to improve patient convenience, reduce needle-stick injuries and overcome cross-contamination, a significant concern in many areas where this technology could be utilised.

The University of Queensland Vice-Chancellor, Peter Hoj, in congratulating Vaxxas, and University of Queensland researchers on their contribution to the underpinning technology, noted:

While we cannot do without excellent basic research, wherever possible it must be followed by its translation into practical use, to the benefit of society.

This is a prime example of such practice with a potential for global benefit including in disadvantaged regions.

Not only will this revolutionise the way we deliver aid, in line with the government's desire to see greater results on the ground for each dollar of foreign aid money spent; it also underlines the importance of establishing collaborative research groups as planned under the Medical Research Future Fund, a cornerstone of the coalition's budget.

Further underlying the broad benefit that this technology can bring to the community is the partnership established between pharmaceutical company Merck and Vaxxas. Professor Hoj commented with regard to this collaboration:

This link-up with Merck is especially inspiring, because it may lead to the relief of serious health problems, particularly in remote and developing regions.

In the immediate term, it will employ more people in Brisbane's innovation economy, and boost the global reputation of Queensland and Australian R&D.

As Professor Hoj further noted:

This directly builds upon intensive and outstanding research on the Nanopatch—conducted by my research group at UQ—taking the Nanopatch from an idea to achieving unprecedented immune responses in animals. And our research has been supported by competitive research grants from both the Australian and Queensland State Governments.

There has never been a more appropriate time for us all to reflect on the untapped benefit and potential that this research will bring not just directly to our young science students seeking funding for research, not just to the economy of our country, but also to the global community as we look at the increasing pressures placed on foreign aid budgets and health outcomes here and overseas. I am therefore delighted to commend Professor Kendall and his team on their world-leading research. (Time expired)

The DEPUTY SPEAKER (Hon. BC Scott): I call the honourable member for Griffith—in maroon!

Budget

Ms BUTLER (Griffith) (19:40): A Queenslander—thank you. I think that there are a lot of Queenslanders in the room tonight and we are all on the same page when it comes to the State of Origin and winning nine in a row. But where we are not on the same page is in relation to higher education funding, and I rise this evening to talk about the Abbott government's attacks on higher education and its attacks on the potential of young people in Griffith and across the country to gain a university education.
The electorate of Griffith on Brisbane's south side has three major universities in and around its suburbs, including the University of Queensland, the Queensland University of Technology and Griffith University, the latter having a campus within Griffith. There is a University of Queensland presence and there are other universities around us, including a James Cook University campus and others.

Higher education is a very important issue for people who live in Griffith because we do have a high preponderance of university students living in the southern part of Brisbane. There are also many parents on the south side who wanted nothing more than to see their children have the opportunity that they might not have had, and that is the opportunity to go to university. I was the first person in my family to go to university, and there are a lot of people my age who are in the same situation—who were able to go to university because of Labor governments' identification of the importance of higher education and Labor's moves to make higher education accessible to all. That is something that we have been very proud of over many years.

But what we have now from the Abbott government is a budget that will saddle students with more debt that will take much longer to pay off. Sadly, for many of those hopeful families and their children—maybe families where no member of any generation has yet gone to university—this budget means the opportunity of higher education might never be a reality. The budget marks the end of fair and affordable higher education, and it is a betrayal of Australian students and their families. As the shadow minister for education, Senator Carr, has rightly pointed out:

This Budget heralds the death of the Whitlam-Hawke higher education system: a system in which your brains, not your wallet, determined where you go to university and what you study.

Not only is this government savagely cutting funding to universities; the Abbott-Hockey budget also increases the interest payable on student HELP loans. The government is also increasing the student contribution by 20 per cent. When HECS was introduced under Labor—as the point has been made today: it was Labor that introduced HECS—we looked at the public benefit of higher education. We acknowledge that there is a private benefit from higher education. We acknowledge that the individual benefits from higher-paid jobs throughout their career due to higher education. But that is vastly outweighed by the benefit to our nation of having more people in higher education. That is why it was 80 per cent to 20 per cent. That is why we recognise not just the benefit of the higher tax revenues that you get when you have a more highly paid population but also the benefit, in a broader sense, of having highly skilled, highly educated people. 'A race to the top, not a race to the bottom,' as Bill Shorten has said. That is why HECS was introduced.

I was a student when the Howard government was elected and I remember very, very clearly the changes that the Howard government brought about. There were increases to student fees and student loans. I know that, whereas I was a working-class kid who got a university education and got ahead, there are people who are only five years younger than me who will be paying off their student loans for a lot longer. And that delays buying a home. It delays so many opportunities that people of my generation—and I say 'generation' because there is only a few years difference—and there are a number of people in this place who had the benefit of the Hawke era Higher Education Contribution Scheme.
What we are going to see now under the Abbott-Pyne higher education system is that students will be forced to weigh up how much debt they will incur and how long it will take them to repay it, and deciding whether they can have a tertiary education. Some of them will have to decide whether they want to someday own a home or, alternatively, go to university. That is not a choice that people should have to make. People should be able to have access to quality higher education and the dream of owning their own home, and we are not talking about kids who have to wait until their late 30s or early 40s before that home-ownership dream can become a reality. It is not the Australian way. Higher education access has been a pillar of Australian society since Whitlam and, before that, since the postwar era when Labor introduced the Commonwealth scholarships. I would like us to recognise that despite Tony Abbott's promises that there would be no cuts to education, there are now going to be cuts, and it is a shame.

Eden-Monaro Electorate

Dr HENDY (Eden-Monaro) (19:45): I rise today to speak about a number of contrasting events I attended in quite different parts of my electorate, which underline the incredible diversity of the south-east NSW region. One of the particularly great things about having a rural seat as diverse as Eden-Monaro is you get to see some really different communities.

Recently I had the great pleasure of attending the 7th Michelago Mayfair. Many of you listening today may ask: where is Michelago? It is a beautiful spot between Canberra and Cooma. Founded in the 1820s, it was on the main route from Sydney to the Snowy Mountains. Michelago is located on the famous Monaro plains and has a rich history. According to historian Lea-Scarlett, on 1 June 1866 a bushranging gang consisting of the Clarke brothers, Patsy Connell and two accomplices held up Michelago town and drank its entire liquor supply before staggering off to their rocky hide-out called 'Beefcask' in the Tinderry mountains. Today Michelago is a small town of around 600 people, depending on how wide the count, with a strong sense of community. Quite a few people commute to Canberra every day down the Monaro Highway.

The 7th Michelago Mayfair attracted a good crowd. It was held at the village oval on Ryrie Street. The day featured Majura Comedy Magic, a patting paddock, rural displays, market stalls, live entertainment, and some delicious food. The historic railway station was open with photos from Michelago's past on display. That station was first opened in 1887. I commend the organisers of the Michelago Mayfair. It was a great day out for so many families.

Contrast that Sunday event in Michelago with the previous Sunday when I spent some time with some colleagues and constituents in Brogo. Brogo is around 20 kilometres north of Bega. Nearby is the Brogo Dam, which is contained within the Brogo wilderness area and the southern section of Wadbilliga National Park. Unlike Michelago, around Brogo is a high rainfall area with incredible rainforest and many native birds and animals. Brogo has it all—from bushwalking to beautiful views of the Bega Valley. The contrast in terms of soil, topography and rainfall with the Monaro plains could not be sharper. Brogo is just another example of that incredible and largely untapped tourist potential that abounds in Eden-Monaro.

Finally, recently I attended the NSW Farmers Cooma Branch Wild Dog Cooperative meeting along with the hardworking member for Monaro, John Barilaro, to discuss wild dog issues. Over 100 local farmers gathered at this wild dogs forum in Cooma. The challenge that
farmers face with wild dogs is quite significant as it affects income, damage to livestock, major loss of stock, strenuous activity to avoid attacks and a great deal of psychological stress. I would like to congratulate the organisers of this event which brought the community together to discuss this issue. I would like to single out Michael Green, Sue Litchfield, Warren Schofield, Roger Roach and the president for NSW farmers, Fiona Simson.

Just on this issue, I was also delighted to host a meeting in late March with the federal Minister for Agriculture and all seven shire councils in Eden-Monaro. One of the key issues we discussed was the effect of wild dogs in the rural community. This a vital issue for farmers, which is why the coalition government has provided $10 million for pest management.

The Australian Bureau of Agricultural and Resource Economics and Sciences has also released the first wild dogs report in Australia, *An integrated assessment of the impact of wild dogs in Australia*. The research report evaluates the economic, environmental and social costs of wild dogs, which are estimated to be in the millions of dollars. Our city cousins will have no real appreciation of the extent to which this wild dogs issue impacts on many rural farming communities.

In summary, as these various events that I have outlined today clearly illustrate, Eden-Monaro has a rich history and, like so many other rural and regional parts of Australia, Eden-Monaro has strong communities that are the bedrock of our great nation. I conclude by noting that Eden-Monaro is one of the Federation seats from New South Wales. You may have a different view, Deputy Speaker Scott, being, I suspect, a very loyal Queenslander yourself, but with the State of Origin game on tonight, can I wish the New South Wales Blues and the coach Laurie Daley all the best, and I look forward to a great win.

**Labour Cause and Civil Society in Vietnam Conference**

Mr BYRNE (Holt) (19:50): Being a Victorian, I take no sides in this other matter. On Wednesday, 14 May 2014 I had the honour to attend the Labour Cause and Civil Society in Vietnam Conference organised by Bloc 8406 and hosted by the member for Fowler here in this Parliament House. The conference focused on the continuing suppression of the right of association and the right of peaceful assembly in Vietnam, and on the plight of labour activists Miss Do Thi Minh Hanh, Mr Doan Huy Chuong and Ms Nguyen Hoang Quoc Hung who have suffered harsh and unjust jail terms for simply defending the rights of fellow workers.

Basic human rights, such as the right of association and the right of peaceful assembly, are still suppressed in Vietnam. Members of independent unions and civil society organisations that operate outside the Communist Party framework are still harassed, still terrorised and even jailed, as in the case of Miss Do Thi Minh Hanh, a worker rights advocate who is serving a seven-year prison sentence.

Hanh Do's mother, Mrs Tran Ngoc Minh, attended the conference and delivered an incredibly brave and powerful presentation. She made an emotional plea for the Australian government to press the Vietnamese government to address the concerns she has about her daughter's plight, the plight of exploited workers in Vietnam and the issue of the Vietnamese government's continuing abuse of human rights. Mrs Tran Ngoc Minh detailed in her speech
at the conference that her 29-year-old daughter is currently incarcerated in Thanh Xuan prison in Hanoi City, Vietnam. The prison is 2,000 kilometres from where her family lives.

The reason Minh Hanh has been in prison for over four years to date now is because she and her two of her friends Ms Nguyen Haong Quoc Hung and Mr Doan Huy Chuon bravely stood up for factory workers at the My Phong shoe factory in a protest against exploitative work conditions. The trio wrote and circulated a list of demands when workers at this factory went on strike as a result of their company's arbitrary payment policies and their managers' abusive behaviour.

After standing up for her factory workers Minh Hanh was arrested and taken away on 23 February 2010 in the Lam Dong province of Vietnam's central highlands. On that day that she was arrested the police brutally bashed Minh Hanh in front of her mother, resulting in her face bleeding profusely. Minh Hanh was transported to Ho Chi Minh City police headquarters and was detained there for there for eight months before she was tried in a proceeding that did not afford her due legal process. She was sentenced to seven years jail and her friends were sentenced to seven years jail and nine years jail respectively.

In the last four years, Minh Hanh has been transferred from one prison to another, simply for protesting about workers' rights. She has been forced to do hard labour and has been assaulted several times. In one particularly brutal incident she was stripped naked and physically abused in a prison.

According to her mother, Minh Hanh is experiencing what may be the symptoms of breast cancer. But, guess what? She has been denied visits by a specialist doctor, despite several requests. This is completely unacceptable; urgent medical care needs to be provided to this young lady.

The efforts of her friends Chuong Doan and Ms Hung Nguyen also need to be recognised. According to Freedom Now Chuong Doan is the founding member of the United Farmers-Workers Organization. He and his girlfriend have been long-term members of the Victims of Injustice, a group that advocates on behalf of land confiscation.

Since being arrested these two individuals have been plagued with violations of fair trial standards and have had prolonged periods of solitary confinement. They have also been beaten repeatedly. As a result, we understand that Ms Hung is now deaf in one ear and Mr Doan has lost the use of one hand. The Vietnamese regime should be condemned in the strongest possible terms for this violation and treatment, and this abuse of the human rights of these unfairly jailed prisoners.

Minh Hanh's mother has noted that the Vietnamese communist regime is currently desperate to join the Trans-Pacific Partnership to advance their economy, and she hopes that before this particular matter occurs that her daughter and her friends and all prisoners of conscience in Vietnam are released.

I wish to commend Mr Duy Quang Nguyen, the President of Bloc 8406 in Australia, for organising this particular conference. We have many—and I think it would be the same for the member for Gorton—constituents of Vietnamese background who worry very much about the rights of their families and loved ones in Vietnam. The Vietnamese government continues to abuse human rights, and I stand here in this parliament to condemn them for that abuse.
Dr GILLESPIE (Lyne) (19:55): I rise to highlight the life and achievements of a very prominent constituent, who lives in Port Macquarie. He is 86, and to this day he still works from his small office in Hay Street in Port Macquarie. He works six days a week, although I must admit that his mind is still working on the seventh, and he is just as energetic, passionate, determined and innovative today as he was when he first moved to Port Macquarie as the parish priest in 1970. I refer to Father Donnelly, known in the community as 'Father D'.

It is hard to quantify the impact that this one man has had on the local community of Port Macquarie. He has literally moved mountains, including swamps and buildings, to build infrastructure to care for, educate and enrich the lives of many local people. He spent his career in authentic service to the Saint Agnes Parish and the communities of Port Macquarie and the North Coast.

He first arrived in Port Macquarie in the 1940s, staying with his aunt and grandmother because he grew up in Gulargambone, where there was not a lot of educational opportunities. They realised that he had potential and brought him over to stay with his grandmother, and he managed to do the three years of his leaving certificate in one year so that he could then graduate.

He joined the priesthood and went through the rigors of priesthood training. The church realised that he had potential and sent him off to Rome. He studied there for another four years and then he commenced his career, working in Saint Vincent's, firstly with a short stint back in Port Macquarie from 1951 to 1954 as the parish assistant priest and then working as the secretary to the diocese for the bishop in Lismore for 16 years.

He obviously had plans for Port Macquarie, and he returned there as a parish priest in 1970. But before he left Lismore they set up a private hospital, St Vincent's, in Lismore and this parish priest showed great insight even then, because he set up the first rehabilitation unit in Australia for people recovering from stroke and similar things.

He started a diocesan investment fund that has fuelled the good works of the diocese from Lismore down to the 'deep south' of Port Macquarie. He has set up nursing homes and schools, and his crowning glory is the vocational college in Port Macquarie, which was the first vocational college and the model for the Australian technical colleges. John Howard opened the first one of its kind in Port Macquarie, having rolled into the existing St Joseph's Vocational College that had been running since the 1970s.

There was nothing in existence in the Catholic aged-care program in 1973, but Father Donnelly realised that there was a need for care for the elderly and he started a 38-bed nursing hostel, followed by a 56-bed nursing home, called Lourdes Village. Now the Catholic Care of the Aged has over 300 residential aged-care beds, 111 community care packages, 220 independent residential village units and a range of other high-quality services in aged care, employing 450 staff.

Education started off with a small school. Then in 1975 he had the vision to commence St Joseph's Regional High School, with over 200 students and the year-10 class having only 25 students. But this vision has now led, as I mentioned, to the vocational college, which rolled into the first-ever Australian technical college and which is now Newman Senior Technical
College, with 350-plus students, some being trained in certificate II and III courses as well as the majority for the Higher School Certificate. It now sets the benchmark in vocational education and training, and is a great bonus to the whole North Coast community.

There is now three primary schools and four secondary schools which educate over 4,000 students. There are early education and family services for over 100 preschool children. There is Centacare, which runs welfare and the Port Macquarie Youth Hub. *(Time expired)*

**The DEPUTY SPEAKER:** Order! It being 8 pm the debate is interrupted.

*House adjourned at 20:00*

**NOTICES**

The following notices were given:

- **Mr Abbott** to present a Bill for an Act to amend the Australian Citizenship Act 2007, and for related purposes. *(Australian Citizenship Amendment (Intercountry Adoption) Bill 2014)*
- **Mr Baldwin** to present a Bill for an Act to amend the Textile, Clothing and Footwear Investment and Innovation Programs Act 1999, and for related purposes. *(Textile, Clothing and Footwear Investment and Innovation Programs Amendment Bill 2014)*
- **Mr Baldwin** to present a Bill for an Act to amend the Offshore Petroleum and Greenhouse Gas Storage Act 2006, and for related purposes. *(Offshore Petroleum and Greenhouse Gas Storage Amendment (Regulatory Powers and Other Measures) Bill 2014)*
- **Mr Ciobo** to present a Bill for an Act to establish the Asset Recycling Fund, and for related purposes. *(Asset Recycling Fund Bill 2014)*
- **Mr Ciobo** to present a Bill for an Act to deal with consequential matters arising from the enactment of the Asset Recycling Fund, and for related purposes. *(Asset Recycling Fund (Consequential Amendments) Bill 2014)*
- **Mr McCormack** to present a Bill for an Act to amend the Public Governance, Performance and Accountability Act 2013, and for related purposes. *(Public Governance, Performance and Accountability Amendment Bill 2014)*
- **Mr Neumann** to move

That this House:

(1) welcomes the celebration of National Reconciliation Week (NRW), a time for all Australians to learn about our shared histories, cultures and achievements;

(2) notes that:
   
   (a) NRW is celebrated across Australia each year from 27 May to 3 June;
   
   (b) the beginning and end dates of NRW mark the anniversaries of two important dates in Australia’s history—the 1967 referendum and the historic 1992 Mabo decision respectively;
   
   (c) the theme for NRW 2014 is ‘Let's Walk the Talk’, encouraging all Australians to support the recognition of Aboriginal and Torres Strait Islander peoples in the constitution; and
   
   (d) 26 May is National Sorry Day, signifying the anniversary of the 1997 Bringing Them Home report, and is a day to reflect and pay tribute to the Stolen Generations and their families;

(3) acknowledges the outstanding efforts and achievements of Reconciliation Australia through their RECOGNISE campaign, which continues to raise awareness and engage with thousands of Australians about our journey towards recognition; and
(4) encourages all Australians to join the national reconciliation effort and support the constitutional recognition of Australia's first peoples.

Mr Simpkins to move

That this House:

(1) notes that on 4 June 2014, it is the 25th anniversary of the first partially free democratic elections in Poland in 1989 which led to the Polish people throwing off the shackles of communism and to the fostering of democratic changes in central and eastern Europe; and

(2) acknowledges the:

(a) official visit to the Parliament today of H.E. Mr Bogdan Borusewicz, Marshal of the Senate of the Republic of Poland and the Polish Delegation;

(b) strength and success of democracy in Poland;

(c) achievements of the Polish people since becoming a free society; and

(d) importance of Poland's political and economic transformation for its accession to the North Atlantic Treaty Organisation in 1999 and to the European Union in 2004.
Wednesday, 28 May 2014

The DEPUTY SPEAKER (Hon. BC Scott) took the chair at 09:30.

CONSTITUENCY STATEMENTS

Budget

Ms RYAN (Lalor—Opposition Whip) (09:30): One of the things I love about being home in Lalor is running into former students, at the supermarket, at the football or at netball coaching my team. Last weekend was no different. A former student told me how she and others were going at university. Another spoke about his carpentry apprenticeship—great boss, interesting work—and how he has just saved up and bought his first car. Yet another who dropped out at the end of year 10 and did it hard for a few years is now working in retail after some pre-employment programs. Lalor is home to thousands of young people like these, who, regardless of the home they grew up in, want to work hard and get ahead.

These former students have benefited from Labor government initiatives like the program that encouraged universities to enrol low-SES students. This resulted in a 32 per cent increase in low-SES students from Lalor attending university. The apprenticeships programs, like the access program, have helped 50 locals secure apprenticeships. The Tools for Your Trade program and Apprenticeships Incentives Program benefited more than 6,000 apprentices in Lalor. The Youth Connections program assisted youth at risk to reconnect to education and training, leading to work opportunities.

The sad irony now, though, is that this budget changes all that. I am left wondering: will their younger siblings get to university? Will people still afford to make home improvements after the cost-of-living pressures announced in the budget? Will the apprenticeships be completed if the work dries up? Will the cuts in people's incomes see a reduction in local retail? Budgets are about priorities. They shine a light on what a government believes, and this budget is no different. For the young people of Lalor this budget carries no good news. This budget clearly shows that the young adults in Lalor and their futures are not a priority for this government, despite the rhetoric.

We see this in the actions, in the cruel changes to arrangements for Youth Allowance and Newstart eligibility. We can see it in changes to university funding, in the cutting of Youth Connections, in the cuts to employment support programs. We can see it in the cuts to apprenticeship programs. Those opposite throw around a slogan for people under 30: earn or learn. They pitch it across this chamber like a challenge—a challenge that belies the reality on the ground, the reality that their cuts and their budget will make it harder to learn and harder to earn. I have seen first-hand the impact of well-targeted support and implore those opposite to reconsider these cruel changes. I implore my community, too, to shop local, to use local tradespeople and, if employing, to look locally so that we can see our way through what this budget is going to bring us.

Budget

Mr WHITELEY (Braddon) (09:33): Here we go again. In this opportunity this morning let me ask the question: what sort of member of parliament sets out, as we have just seen evidence of, to scare pensioners, to scare students, to scare young people, to scare people with
significant disabilities? The answer is obvious. It is the Labor Party. Their deceit knows no bounds, and their desperation is placing political populism above the emotional interests of the elderly and the vulnerable in their community. I say to the people of Braddon, my constituents: do not listen to a word they say. Their desperation and deceit knows no bounds.

Yes, there will be a co-payment to visit the GP but something they will not tell you is that there will be 10 visits maximum, at which time the traditional bulk-billing arrangements will cut in. They would know, if they were to find a place deep in their hearts, that the current health-funding system in this country is unsustainable.

The people of Braddon know me; they know what I stand for; they know my values; and they know that I would not for one moment stand up for a policy that was not in the best interests of our children and our grandchildren. It is time to cut out the deceit. There is a safety net. Everybody should be aware of it, and I am putting it on the record today.

They also should understand that health care in this country is not free; it never has been. The taxpayers of Australia fund health in this country to the tune of $38.90 on average for every standard GP visit that anyone in this country currently attends. It is a myth, a populist message being put out there, that health care in Australia is free. There is nothing that comes to this country free. The hardworking taxpayers of this country pay for health; they pay for education; they pay for welfare; and the list goes on and on. Not only that—

Mr WHITELEY: You should listen because you might learn something. Your deceit knows no bounds. Your desperation knows no bounds. The reality is that this co-payment arrangement—you may not like it; but the reality is that it is needed—does not start until 1 July 2015. So stop—

Mr WHITELEY: You should stop, and your colleagues should stop, running around your electorates, running around my electorates, telling the vulnerable in our community that it started on budget night. What bunkum!

Mr WHITELEY: You are saying it. The Labor Party is saying that. That is what you are doing; insidious and untrue messaging to the people of our electorates. It is not true and it is time you stopped the deceit. Labor should stop telling pensioners that their pensions will be cut, because it is not true. I will be back tomorrow to tell you exactly why not.

Mr NEUMANN (Blair) (09:36): Last week I attended the official opening of the Ipswich Region Trade Training Centre, a $5 million investment in the Ipswich region, featuring world-class education and training facilities. Based at Ipswich State High School, it will benefit students from Bundamba Secondary College, Bremer State High School, Lowood State High School and Rosewood State High School. Students will be offered courses in mechanical, fabrication, general construction, carpentry, shop fitting and drafting. The centre at Ipswich State High School is one of the four trade training centres in Blair funded by the former Labor government as part of a $2.5 billion investment to provide Australian students
access to industry-standard trade training and infrastructure, because that is what Labor governments do.

Those opposite like to talk about education and training. We all remember those familiarly sprouted lines pre-election: 'No cuts to education. No cuts to schools.' In fact they said, 'schools go up'. But this budget of broken promises and savage cuts will affect the people of Blair and the rest of the country.

What is interesting is that LNP state members in Queensland have been happy to turn up to those official openings—I have seen them on numerous occasions in my electorate—smiling for the cameras and shaking hands with constituents in the electorate, wringing their hands and declaring how bad these things are in George Street and in Canberra.

Last week LNP Senator Barry O'Sullivan attended the opening of the Ipswich Region Trade Training Centre, which the federal Labor government funded—promised and delivered. The senator was representing the Parliamentary Secretary to the Minister for Education. Endorsing this Labor initiative on Facebook, he said: 'These facilities will go a long way to addressing skills shortages across the construction industry'—and I agree with him—but, at a time when the economy and the manufacturing sector in particular are facing real pressure, these trade training centres go a long way to address skills shortages throughout a variety of industries'. What the good senator failed to mention was that, in the budget, the coalition has cut the $950 million funding for these trade training centres, so there will be no more. The government cannot even be held to account in relation to keeping their promises on education or skills training. They cut $500 million also in the budget out of skills and training in terms of pre-vocation apprenticeships as well. This government prefers to punish young job seekers, denying them Newstart, rather than investing in trade training centres, which provide real trade qualifications, from certificate I through to certificate IV.

I want to acknowledge the work of the Ipswich State High School principal, Simon Riley; deputy principal, Michael Hornby; and his industrial technology and design head of department, Nev Jesse. Simon Riley told the local community that, with 800 students leaving local schools each year to chase a job in the region, the trade training centre makes sense. I urge the government to reconsider their priorities in the budget and get it right on trade training for Ipswich, Somerset, Queensland and Australia.

Robertson Electorate: Work for the Dole

Mrs WICKS (Robertson) (09:39): I am pleased to advise that the Central Coast will be one of 18 areas selected under the coalition government's reinvigorated Work for the Dole arrangements for young job seekers. This is fantastic news for my electorate of Robertson. It will help deliver the hope, reward and opportunity our young people need, in an area where youth unemployment is just too high.

This program will mean that 18- to 30-year-olds on the Central Coast who have been unemployed for 12 months or more and are receiving Newstart or youth allowance will be required to do Work for the Dole from July. Participants will complete around 15 hours per week for six months in a work-like environment. Work for the Dole will include a mix of individual and group based activities. It is designed to give our young people a fair go and a hand up. We believe that all Australians capable of working should be working. They should be earning, learning or working for the dole. This helps young people gain the skills and
experience they need to move from welfare to work as soon as possible. It keeps young job seekers engaged and active and helps avoid a lifetime of welfare dependency.

Last week I visited ET Australia in Gosford, a community based not-for-profit training college for young people on the coast. I heard from many students who were positive about their future because they were in a supportive, engaging learning environment. One of the managers, Petrina March, told me about how their instructors were helping young people make a positive contribution to their community. Work for the Dole does not replace paid work, but together with mandatory programs for 18- to 30-year-olds, we are working to improve employment figures on the Central Coast.

Labour force figures from the ABS shows that across the local government area of Gosford there was an average of 7,100 young people aged 15 to 24 who were without work. The unemployment rate for young Australians is 12.9 per cent; more than double the national average of unemployment. It is just too high. That is why the government is providing this $14.9 million commitment over two years for new Work for the Dole arrangements. Work for the Dole places will be sourced in not-for-profit organisations, local councils, and federal and state government agencies, and the government will appoint a Work for the Dole coordinator for the Central Coast, with tenders to be called for this week.

The Howard government introduced the principle of mutual obligation and Work for the Dole to ensure that people in receipt of income support were genuinely looking for work and making a contribution to their community. Under the Labor government this was watered down. Now, with 40,000 people across Australia participating in phase 1 of this program, our government is building a positive and self-enhancing experience for our young job seekers. I look forward to hearing more stories about how this program is lifting our young people by providing opportunities for work experience so they can pursue their dreams and aspirations on the Central Coast.

Indi Electorate: National Sorry Day

Ms McGOWAN (Indi) (09:42): Today I am going to make an important speech, perhaps the most significant speech I will ever make in this House. I begin by acknowledging the traditional owners and custodians of this country where we gather today. I would particularly like to acknowledge the traditional owners, custodians, elders and people of the electorate of Indi.

During the campaign I made a commitment to come to this place, the parliament of all Australia, and make a formal apology on behalf of the people of Indi, because, sadly, the people of Indi were not represented in this parliament in 2008 when the former Prime Minister Rudd made the national apology. Today, as the duly elected representative of the people of Indi, I come to fulfil this commitment and to offer an apology, using Mr Rudd's words.

To the generation of stolen children and their families who live or have lived in Indi, I apologise for the laws and policies of successive parliaments and governments that have inflicted profound grief, suffering and loss on their fellow Australians. I apologise especially for the removal of Aboriginal and Torres Strait Islander children from their families, their communities and their country. For the pain, suffering and hurt of these stolen generations, their descendants and for their families left behind, I am sorry. To the mothers and the fathers,
the brothers and the sisters, the aunts and the uncles, for the breaking up of families and communities, I am sorry. And for the indignity and degradation thus inflicted on a proud people and a proud culture, I am sorry. In conclusion, I respectfully request that this apology be received in the spirit in which it is offered, as part of the healing of this nation. I hope this apology will provide another step in the healing process for Aboriginal and Torres Strait Island people and the communities of Indi.

I am so proud to be able to do this apology in a week when Australia acknowledges Sorry Day and celebrates Reconciliation Week. I am proud because I can do this for the incredibly strong and inspiring Aboriginal people, communities and organisations that live and prosper in Indi.

I offer my sincere thanks to all the Aboriginal and Torres Strait Islander people who have embraced me, guided me and taught me over the last eight months. Our journey together is only just beginning, and I hope that you will continue to teach me and the Indi community about your culture and your history, and allow us to be involved in your future.

Byrne, Dr Robert

Mr MCCORMACK (Riverina—Parliamentary Secretary to the Minister for Finance) (09:45): I had a really special evening on 17 May at the farewell for the inspirational Dr Robert Byrne from general practice from the western Riverina. A packed Yanco All-Servicemen's Club heard speaker after speaker tell how much-loved Dr Bob had saved either his or her life and of the great community work he had performed since arriving in the area on 7 January 1967. The very next day he delivered his first Riverina baby, Maria Olivero, and she was there to attend this special evening.

The night was tinged with great laughter but also with some sadness, especially when the story was recounted of how Dr Bob and his nurse wife, Fahy, helped the severely injured after the dreadful, horrific bus accident on Thursday, 27 November 1975, in which their own eight-year-old daughter, Catherine, lost her life. There were 85 people on the bus that day, 81 of whom were schoolchildren. They were coming back from Darlington Point, having attended swimming lessons, and the bus collided with a semitrailer seven miles north of Coleambally. They realised very quickly that their daughter was amongst the dead, but, like the true, fine medical professionals that they are, they helped the injured and saved many, many people's lives. That is the sort of caring, wonderful, warm, passionate people Bob and Fahy are.

Plenty of warm and funny tales about Bob's loving care for his patients were told. It was estimated that Dr Bob conducted 600,000 consultations in Coleambally, Griffith, Leeton, Hay, Jerilderie and Yanco during his time.

He is a truly wonderful man. He is a genuine country boy, born in Cootamundra in 1937. He was able to get his doctor's degree via a Commonwealth scholarship. He completed his primary medical degree in 1963 at Sydney university, and he came back, like so many good doctors do, to regional areas to do their bit to help country, rural and regional people.

Bob and Fahy moved to Hobart where Bob took on the job of senior resident in obstetrics and paediatrics and, later, medical registrar, and he moved to Griffith in 1967, driving from Melbourne to there with their children and their entire belongings in a Hillman Imp—a very compact car. They packed up their whole car and they moved to the western Riverina where,
as I say, they have served our area so diligently, so well, so professionally and with such loving care for so many years.

He decided it was time to slow down in 2000, so he commenced recruitment for the town where he was working, Coleambally, in partnership with the New South Wales Rural Doctors Network, and since that he has had comebacks in Yanco, Jerilderie and Hay, and finally in Leeton, where he has retired. May he and his wife enjoy many years of happy, healthy retirement.

**Defence**

**Ms BRODTMANN** (Canberra) (09:48): Prior to the election, this government promised no cuts to defence. However, like so many of the Abbott government's pre-election promises, this promise meant absolutely nothing when it came to the budget. The Abbott government's budget of broken promises will see the Department of Defence hit with some of the largest cuts of any department in the Public Service.

The budget papers proudly boast of the cutting of 1,200 civilian Defence staff. Where this figure came from I am not sure, because the very same budget papers show clearly that the number of jobs being cut in the department from 2013-14 to 2017-18 is more like 2,200. Of course, in addition to this, the government has increased the efficiency dividend, meaning many more jobs could go. The Abbott government has also failed to outline its plans for the future of the Defence Materiel Organisation and the DSTO, meaning many thousands more jobs are still at risk of being cut. To add insult to injury, while hardworking Defence staff have been left wondering if they will have a job at the end of the year, the Minister for Defence has described them as 'fat and happy', showing he has absolutely no understanding of the hardship he is inflicting on these dedicated public servants.

Still, the Abbott government proudly boasts that it has not made any cuts to Defence. It seems to be the case that the Abbott government does not realise that the Department of Defence is actually part of Defence. The fact is that these massive cuts to civilian Defence staff will be felt by the entire Australian Defence Force. Civilian staff are vital to the overall capability of the ADF and include highly skilled, highly specialist staff. Can the government guarantee that these cuts will not impact on the intelligence, ICT or scientific and technical divisions of the department?

The Abbott government seems to think of civilians in Defence as easily disposable but nothing could be further from the truth. As the Secretary of Defence, Dennis Richardson, said, try telling someone in special operations command that a civilian in the Australian Signals Directorate is 'back-end' and, by implication, not particularly essential to the task in hand. Try telling a fighter pilot that civilian engineers and technicians are not essential to their operational capability. Try telling ADF personnel on operations that civilians responsible for their pay and allowances are less than essential.

These massive job cuts also ignore the fact that over the last 10 years under successive governments there has been a deliberate decision to civilianise close to 1,000 ADF positions because they could be done more efficiently and cost effectively by a civilian. The coalition's plan to cut civilian Defence staff by at least 2,200 positions is a broken promise and it will hurt the overall capability of the ADF. And the minister's comments just add insult to injury.
Macquarie Electorate: Relay For Life

Mrs MARKUS (Macquarie) (09:51): I rise today to speak about the Hawkesbury Relay For Life, which I attended last Saturday. The Relay For Life is an overnight community event where teams of 10 to 15 people participate in a relay style walk or run to raise funds for the Cancer Council. Many of us would know that these invaluable funds make a significant contribution to finding treatment and also quality of life for many people impacted by cancer and their families. In the Hawkesbury the event brings a whole community together for a day and evening of fun, entertainment, celebration and remembrance.

This event holds an extremely special place in our local community calendar given the far-reaching effects of friends and family who have survived and cared for those impacted by cancer. It is astounding to think that one in two Australians will be diagnosed with cancer over the course of their lifetime. This means that each one of us at some point will be touched by cancer. Now in its 11th year, the Hawkesbury Relay For Life is held at the Hawkesbury showground and draws in hundreds, in fact thousands, of members of the community to participate. Some people do it in memory of a loved one who has passed away from cancer, others do it to show how proud they are to have survived. Others are there to show they are strong enough to beat cancer and some are just there to help to make a difference.

It was an honour to be at the opening of the event on Saturday and witness the groups, the funny outfits—in fact there was a team dressed as pirates—the families and friends that had gathered. They definitely have a spirit of 'let's give it a go'. Altogether 60 teams took part in the relay with close to 900 participants present. As of today, Hawkesbury Relay For Life 2014 has raised over $120,000, with more donations still making their way in. Over 10 years, Hawkesbury Relay For Life has actually exceeded their collective target of $1 million—an outstanding achievement for everyone in the community.

My congratulations go to the committee for organising this worthwhile event; fundraisers of this kind take a whole team effort and months of planning. In particular, I would like to acknowledge the chairperson, Jenny Hamilton, and community relations coordinator, Nathan Dart. They are phenomenal individuals who bring together a team behind them. This year in New South Wales around 40,000 people will take part in the Relay For Life event. Across the nation, events will raise around $18 million, a truly amazing achievement. It was an honour to be there to join with them in the fight against cancer.

Kingston Electorate: Anzac Centenary Local Grants Program

Ms RISHWORTH (Kingston) (09:54): I rise today to congratulate five local schools in my electorate who will be sharing in $14,850 to help them commemorate the Anzac centenary through watching and performing the theatrical production Do not forget Australia. Southern Montessori School, Cardijn College, Christies Beach High School, Southern Vales Christian College and Woodcroft College successfully applied for funding to participate in the Anzac Centenary Local Grants Program. This grants program was set up by the previous government as something really important to allow local communities to recognise and mark in their own way the 100 years since our first involvement in World War I. These schools have come up with a very innovative way of organising a production that will allow them to explore the experience of students revisiting the battlefields of France. I think this is a really interesting and innovative way to allow these students to get an understanding of what it was like for those who served and also what it is like to research your history.
These schools will now have the chance to perform for the wider community in the play *Do not forget Australia* by From Page To Stage. This is a non-profit organisation which promotes Australian theatre works that have a historical or educational context. It will help the students to empathise with the characters and think about what life would have been like for them. This is a very exciting opportunity and is one of a number of applications that our local community has made to commemorate the Anzac centenary. I would particularly like to put on record a big thank you to our local steering group, which had representations from organisations such as the RSL, local cadet groups, schools and Legacy. They all generously gave up their time to look at applications and evaluate them.

While our first involvement in World War I was 100 years ago and some might think that it would not be relevant to young people in our community, each Anzac Day I am very pleased that young people are looking at ways that they can commemorate the sacrifice that was made 100 years ago. Youth Vigil in the South, which is in its 11th year this year, has an honour guard overnight at the memorial, where the dawn service will be. This is something which young people participate in and it really focuses their minds. So I congratulate the schools and wish them all the best as they perform.

**Kids of Macarthur Health Foundation**

Mr MATHESON (Macarthur) (09:54): I rise today to praise a fantastic organisation in my electorate for bringing hope and support to many children and their families in Macarthur. The Kids of Macarthur Health Foundation has been a huge support to many families in the Macarthur community and over the years has grown into one of the most highly regard and well-respected charities in the region.

The humble beginnings of the foundation are like many others in Macarthur. A group of like-minded people came together with a common goal to make life easier for children and their families in our community. The Kids of Macarthur Health Foundation was established in 2000 by a group of local business leaders, paediatricians and hospital administrators, and 13 years later it now raises enough funds to donate around $1 million every four years to purchase paediatric medical equipment for our local hospitals and families. This is an achievement that current staff, volunteers and the founding members of the foundation should be very proud of.

Each year the foundation holds an annual charity ball so that local residents, community groups and businesses can join together to support this worthy cause. This year the ball will be held on Saturday, 21 June at The Cube, Campbelltown Catholic Club. This year's ball will raise funds to purchase omnicots for the Special Care Nursery at Campbelltown Hospital. These state-of-the-art humidicribs will help stabilise particularly fragile and at-risk newborns throughout the various stages of their treatment while in hospital. Each omnicot costs $42,000 and will allow Campbelltown Hospital to provide high care to these babies, instead of transporting them off site to special care. Every child in Macarthur benefits from the work of the Kids of Macarthur, whether they are a child with special needs, a disability or an injury from an accident. This is why I encourage Macarthur residents to attend the charity ball to support the organisation that has become such a vital asset to our community.

Since its inception, the foundation has become a lifeline for many families in my electorate. During my time as a local councillor and as the member for Macarthur, I have met many local families who have shared their stories with me about the wonderful support they
have received from the Kids of Macarthur Health Foundation. The foundation's dedication to improving health care for every child living in the Macarthur region is held with high regard by all levels of government, local support groups, schools and families in our community.

By raising money and advocating for children and adolescent health services, and research in Macarthur, the foundation has set a high standard for many other local charities and support groups. The foundation's success relies on the kindness of local residents and businesses who continue to support its events and fundraisers. I have always been very proud of the generosity of people living in Macarthur. I am continually amazed but not surprised by their willingness to dig deep in order to help local families who are doing it tough.

The Kids of Macarthur Health Foundation is a great asset to our community and has given support, hope and strength to many families in Macarthur. I would like to congratulate the foundation on its achievements and thank the local residents for continuing to support it. Everyone involved is making this world a better place for our children and that is something I believe we should all aspire to.

The DEPUTY SPEAKER (Mr Ewen Jones): In accordance with standing order 193 the time for constituency statements has concluded.

**BILLS**

<table>
<thead>
<tr>
<th>Bill Title</th>
<th>2014-2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appropriation Bill (No. 1)</td>
<td></td>
</tr>
<tr>
<td>Appropriation Bill (No. 2)</td>
<td></td>
</tr>
<tr>
<td>Appropriation (Parliamentary Departments) Bill (No. 1)</td>
<td>2014-2015</td>
</tr>
<tr>
<td>Appropriation Bill (No. 5)</td>
<td></td>
</tr>
<tr>
<td>Appropriation Bill (No. 6)</td>
<td></td>
</tr>
</tbody>
</table>

Second Reading

Cognate debate.

Debate resumed on the motion:

That this bill be now read a second time.

Mr ENTSCH (Leichhardt) (10:01): I thank you for the opportunity to speak on Appropriation Bill (No. 1) 2014-15 and cognate bills today. There is no hiding the fact that there has been some very highly vocal and predominantly negative reaction to the budget both before it came down and at the time it came down. I had concerns as well. In hindsight, I think we could have handled it better. I made this very public argument that we could have focused on a lot of the positives rather than on just the negatives, because people are genuinely concerned. But there is no doubt about it that the reason we are now in government and not the other side is that people realised that it had got out of control. They were desperate for somebody who was responsible to come in and clean up the mess and get the house back in order.

We had a similar challenge back in 1996. This budget is a tough budget, but it is a fair budget. We did it back in 1996 and I am confident that we can do it again. At the end of the day, as I say, when the party is over somebody has got to come in and clean up the mess. And that is what we are doing now. I believe this is a responsible budget. The previous government ran up five record deficits and left $123 billion in future deficits and, without
policy change, our debt was going to reach about $667 billion. We are certainly repairing the budget and, in so doing, will strengthen the economy.

Instead of having Labor deficits of more than $30 billion in 2017-18, it will be down to less than $3 billion. That in itself will be quite an achievement. I recognise that the saving measures that we are putting forward will affect every sector of our society. By sharing the load, we certainly lighten it for everyone.

I have been asked a number of times what the budget means. My honest answer is that, as Chair of the Joint Select Committee on Northern Australia, the coalition's commitment to the development of Northern Australia fills me with a great deal of confidence. When we put down the report—and the white paper will come out at the end of this year—there will be a requirement for infrastructure funding. What chance would we have had if the deficit continued to go north? What chance would we have had if our government debt continued in that $600 billion northern spiral? Everything is coming down, which gives me a great deal of confidence that, in the 2015 budget, there will be something there for infrastructure to get the Northern Australia white paper to become a reality. I can tell you now that there are many people in our region who are really looking forward to that. This budget sets the theme, if you like, to allow us to provide significant funding to make it become a reality.

When you look at what is in the budget now, there is another big difference. The others were throwing around promises like confetti, with $200-odd million for the peninsular development—all this money was going everywhere. But when you looked behind it there were no dollars there. It was no more than a piece of paper.

In this budget we have recognised projects of great significance and great importance. The first one is $6.7 billion for the Bruce Highway. I know you have also been actively involved in this campaign, Mr Deputy Speaker, with the eastern seaboard members. Now the money is actually in the tin and ready to be spent. It includes $46.4 million for the Cairns Southern Access Corridor from Robert Road through to Foster Road. There is money to complete the job which was incomplete when we came in—they did not have enough to complete the job, so we are putting money into that as well.

We have actually put the cash in the tin now for $210 million of Cape York infrastructure. These are little projects which are very important to us. The Mossman Botanical Gardens is something Alan Carle and Peter Wood and their team have been working on. It is a fantastic initiative to set up botanical gardens in a little place called Mossman, north of Port Douglas, basically featuring all the flowering trees of the Daintree Rainforest. We have put in $1.4 million to allow them to acquire the site. Again, it is money in the bank, not hollow promises which never materialise.

It is great to see that we got the Black Spot funding. It was our initiative and has had an amazing impact on safety on our roads. In the Roads to Recovery program, bitumen has been laid throughout local authority areas—again, a coalition initiative which we continue to support. With the remote airstrips program, I got a call today from the CEO from Poropuraaw very concerned because Senator McLucas had put out a press release saying that we are going to cut it. It just shows you how little the other side understand what budgets are all about. We had actually budgeted the funding for 2014-15 and then we will be looking at priorities after that. Of course we are funding that. At the moment, Kowanyama air strip is in the final stage and that is all they have to look at—their next-door neighbour. They are doing
the work. Lockhart River is doing the work. Again, Senator McLucass and shadow minister Albanese are scaremongering about it. But people know better. They see what is happening on the ground.

There is an investment of $42 million in the Australian Institute of Tropical Health and Medicine at JCU. That money is now in the bank. We have budgeted for it, we have made the commitment, we have now locked it in. Cairns and the Torres Strait will benefit from a large chunk of this funding. Money is in the bank for the seawalls I have been talking about for the last three years, in spite of the fact that the other mob had promised it for years and years. Even when they eventually put out the press release, there was absolutely no money. That money is in the tin and they are starting the work right now.

We have been raising insurance for a long time. The response from the other side after the flood inquiry at the beginning of 2012 when there were nine recommendations—if they had taken the nine recommendations at the time, the problem may well have fixed itself. Rather than that, they played politics with it and blamed the state government. Then they said, 'Let's fix it with stamp duty for state governments.' That was the only recommendation they took out of it. They said, 'We'll have a look at it,' but they made it so constrained that nothing could come out of it.

An honourable member interjecting—

Mr ENTSCH: As another Queenslander sitting on the other side, you should be ashamed. Three years we had to wait until we got into government before we started to do something about it. Now the $12½ million will be going through to allow strata titles and body corporates to assess their properties and to shop around for insurance—a major step. The government actuarial report coming out I understand in the next couple of weeks will show very clearly the insurance companies in a very bad light.

There are a number of other initiatives that we are putting in there as well, that I have no doubt at all about. The aggregator website that is going in there was very effective when it was used in Europe. I am assured that these will actually make a difference. I can assure you that we have a lot more in our back pocket. The government actuarial report coming out I understand in the next couple of weeks will show very clearly the insurance companies in a very bad light.

Mental health is another one which has been one of my babies for a long time. It is great to see that I was able to get the funding to continue the Cairns Mental Health Carers Support Hub, which has been finally sorted out. Adrianne Hicks has been absolutely brilliant. I would also like to congratulate Jeremy Audas, the CEO of the Mental Illness Fellowship North Queensland, based in Townsville. He has been a fabulous advocate. It is great to see. This will allow us to get a clubhouse established in Cairns and to fit another piece in the jigsaw of mental health. We also have additional funding for headspace—$14.9 million to establish another 10 headspace sites and carry out another two-year evaluation. We also have $18
million to establish—and this one is very important—a National Centre for Excellence in Youth Mental Health, an area where we desperately need some help.

In the Torres Strait—instead of taking assets out of areas, as we have seen with border protection and the mess that the other mob created—we are moving back into these areas and securing these borders. There are three new vessels being built to deal with the problems up there. They will deal with the current challenges. It is great to see the Customs and Border Protection Service moving to establish a northern coordinator role effectively as one operation, because there has always been a problem with agencies talking to each other and bringing a level of coordination. It is about time, and I congratulate the minister on bringing that together.

Youth unemployment is another issue. We have record youth unemployment in our area. The budget includes $146 billion in welfare spending; $12.2 billion will be spent on assistance for the unemployed and the sick. While we have higher unemployment in our area, let me tell you that there are lots of jobs there. A lot of jobs, though, are filled by backpackers coming into the area, in dairy, fruit-picking and areas like that. There is no reason why our young people cannot be expected to go up there and do that work. Okay, it is only temporary work, but at the end of the day it allows them to get something in their resume to show they have actually turned up and done a day's work. It does not necessarily need to be full-time. Employers look at that to say, 'Yes, they are work ready.' That encourages them to do something else.

In Cairns there is a major problem for a lot of our young people. My son is in the same situation. He is 20 years of age and in university there. He cannot get a job for the love of money. Why can’t he get a job? If he was under 18, he would be a junior and have a chance McDonald's and places like that. But if he is over 18 and he can only work on weekends or public holidays or at night-time, because of the inflexibility in the working arrangements—we are predominantly a tourism area, which means we have to be open when the tourists want us to be open—they cannot afford to employ people like that. So another area that we need to continue to work on is flexibility in the workplace, to allow young people like my son and many others to get an opportunity to do a bit of work.

I can say to you without a doubt that there are a lot of opportunities outside the region. I started my working life cleaning toilets in a railway station. It did not worry me at all. I did it well and it provided me an opportunity to do something else. We need to encourage people to do that. It is great to see that we have a Work for the Dole program going in Cairns. That is another way for people to get in there and start their working program, to get their work ethic established. It is fantastic to see that we are giving them a hand up and encouraging people to get in and to do this work. I am very excited about that.

There is also a lot of other work there. There is a scare campaign about the age pension, but the age pension is not being touched. And the pension supplement is not being touched despite what Labor says about that.

There are a whole range of other initiatives. Consolidating Aboriginal affairs and bringing it under the umbrella of a much smaller group means there will be more money on the ground instead of being blown out through bureaucratic processes.
Tourism funding is great news as well. In the 2014-15 budget there is $130 million in base funding for Tourism Australia and $13.5 million towards Asian marketing. Tourism Tropical North Queensland, Tourism Australia, the National Tourism Alliance and the Tourism and Transport Forum all agree that the government understands the economic importance of their industry. Of course, there is money in there as well for the Great Barrier Reef, which is also important. There are a small items like the $400,000 for CCTV in our community, which I think is important.

The Rudd-Gillard government's six years of chaos, of waste and mismanagement, delivered higher taxes, record boat arrivals and debt and deficit as far as the eye could see. I think our economic action strategy, delivered through the budget, will strengthen the economy. It will create jobs and it will reduce Labor's debt to almost $300 billion. We need to take action now or an even greater burden will fall on our community in the future. We are committed in this budget to clearing up the Labor Party's mess. I commend the bill to the House.

Mr RIPOLL (Oxley) (10:16): This is a budget that was built on lies and broken promises. But what is really disturbing is that it has perhaps hurt the Australian psyche and the Australian community to the point where there really is no faith and trust in the political system. Before the election Tony Abbott made it his tenet in his life, of his whole being and reputation, that he personally would restore faith in the political system. He went out to the Australian people and said, 'I'll restore faith. There'll be no broken promises.' This was not a man playing at the edges. Sometimes people make promises, believing they will carry them through, but circumstances change. Sometimes through compromise and negotiation in the political system what you intend and set out to do does not end up being that way. Sometimes that is called a broken promise, and I can understand how the community feel about that.

But with this budget I think the Prime Minister set out with no intention of doing this. It is clear to me from the myriad broken promises, the vast number of broken promises, that the Prime Minister, Tony Abbott, did not have an intention of ever keeping any of them. He wilfully and deliberately went out and just said anything. It just did not matter. There were the three word slogans 'we'll restore faith' and 'we'll not break any promises'. How can you say you will not break any promises? How can anyone ever say that? How can anyone say, 'We will not break any promises'?

I remember when the Prime Minister gave an absolute ironclad guarantee that promises would not be broken—and then he turned around and broke them. I think that has done grave damage to the Australian psyche, the Australian community and public perceptions of our institutions. But that is nothing compared to the damage done to ordinary people. This is a government that promised to help people, to do a whole range of things, and it has not done that. It is a government that promised to deliver so much but delivers so little. It is a government that has broken its promises to the elderly. It has broken its promises to students. It has broken its promises to pensioners. It has broken its promises to families. It has broken its promises to workers. It has broken its promises to the sick. It has broken its promises to small businesses and to superannuants in the protections provided through the Future of Financial Advice legislation. It has broken its relationship with the states. You can ask the states if they think there are some broken promises. I think the Liberal states will tell you that Tony Abbott lied to them as well. They were not of the view that there would be broken promises of the magnitude—or broken promises at all—
The DEPUTY SPEAKER: I would just remind the member for Oxley that, when you are making allegations about a particular person, there are substantive motions that can be used for those sorts of things in other parts of the House. Just be very careful about how you are saying things.

Mr RIPOLL: Absolutely, Mr Deputy Speaker Jones, I will. I think it is a matter of public record and a matter of many speeches in this place.

The DEPUTY SPEAKER: It is about how you are phrasing it.

Mr RIPOLL: Yes, and it will be. I will be careful. In fact, I do not have to be too careful because I am being accurate; I am not doing or saying anything other than Tony Abbott lied to the Australian people. He did it—

The DEPUTY SPEAKER: I would caution you very strongly about that and it could be taken—

Mr RIPOLL: I would not be the first person to have said that.

The DEPUTY SPEAKER: Just be aware that you are warned there.

Mr RIPOLL: And I do recall a time when many others in this place have said similar things. Tony Abbott and the government broke their promises on education funding, on schools, on universities, on hospitals. I know it is difficult for people to hear this; I know it is hard. The truth is sometimes the hardest thing to hear. When it is just presented to you in cold, hard day light, you look at it and ask: how can this be? How can so many promises have been made—that there would be no broken promises, that there would be no cuts in school funding, that there would be new taxes without an election—and then broken? Well, it depends, if you redefine what a tax is, but the Australian people have no question as to the definition of what all of these things are and they are all broken promises.

One promise I remember was the returning of adults to the parliament. I am yet to see the adults come in. That is a pretty big broken promise. Tony Abbott promised to return the adults to the parliament. Where are they? Where are the adults? We see the farcical nature of what happens with the conduct of the House be it with the Speaker of the House and the concern that the Labor Party has in the conduct of the Speaker or whether it be the conduct of ministers, the Prime Minister or others. I do not think this promise was made to the Australian people nor do they think it is the promise that was made to them. I cannot see the return of the adults. If we just focused on that one promise, I would be upset enough and I am sure the Australian people are. I cannot remember before the election a promise to introduce a fuel tax. I do not remember that promise but, if that promise was made, it was kept and it would be the only promise that was kept. But I am sure you could scour through all the words that were said and that promise was not kept. There are some things which just are Orwellian in nature. For example, in Australia we all know colloquially if you are short, you are called tall; if you are tall, you are called 'Shortie'; if you have got red hair, you are called 'Blue'; and if you are Prime Minister, you are called the Prime Minister for women—and I think that says a lot.

Even the Liberals and the Nationals are nervous. They are very nervous; we can see it in their eyes, their speeches, their actions every single day. They are nervous about this budget because they know when they go out to their electorates they can use whatever words they like but when Liberal Party members and Nationals members go out and talk to real people in
the street—their electors—their electors say, 'You broke promises.' That is what they say. The Liberals and the community know that this is not the budget that Tony Abbott promised at the election. This is not the government that Tony Abbott promised at the election either.

Where are the adults? Where is the consumer confidence that was promised? Let me tell you a very startling statistic, which I checked yesterday. Consumer confidence after the budget hit 99.3 on the scale. To understand what that means, it means it has gone below the neutral point. That has not happened since the GFC. It has not been that low since the GFC, May 2009. During our time in government, the Labor government, it averaged around 113. It averaged on par or above average. Consumer confidence was actually good, which meant the economy was strong, which meant people were in work, which meant businesses could stay open. I remember Tony Abbott promising that consumer confidence would be up, that there would be a miraculous turnaround and that we were open for business. But why are doors shutting? Why is consumer confidence down, business confidence down? Why is confidence down in this Prime Minister and in this government?

Unemployment at the election was 5.8 per cent. Unemployment today is 5.8 per cent. It is not good enough; it is about the same. In a budget emergency maybe there would be some change, maybe there should be some difference. I remember Tony Abbott and the Liberals promising a miraculous turnaround. It would be lower. It does not seem lower; it seems the same. Is the government saying they cannot do any better? Is that what they are saying: they can't do any better? When we left government last year, interest rates were at 2.5 per cent—historically low; very good. That is really good. Why is it good? Because it means that people get to pay their mortgages and, as long as they have a job, at lower interest rates, people are fairly safe, and that is a pretty good thing. Interest rates today are at 2.5 per cent—they are the same; they are not lower; they are just the same. And I suspect that they will stay about the same, give or take a little bit over the coming while. Could it possibly be that Tony Abbott is no better at interest rates than we were? So what does that mean—he is no better at the economy? He is no better at something.

Turning to consumer confidence—here is a difference: consumer confidence is down. It is down markedly. When we left government—and this is a very telling story—government debt to GDP was 12 per cent. But today, miraculously, it is much more. Today it is 13 per cent to 14 per cent. What has changed in eight or nine months? What could possibly have changed to make debt worse, to make debt more? It is that the government has deliberately added to debt. They have deliberately changed the assumptions on debt. They have actually made our economy worse by making it worse themselves. What does that do? It makes things worse. Does it make it look like there is a budget emergency? Not according to the Parliamentary Budget Office or Phil Bowen. It does not actually make it worse. He says that there is no budget emergency—his words: 'no budget emergency'.

So what we have in front of us is a government and a Prime Minister willing to say anything and do anything—to swing the wrecking ball. They have, for the past three years, just wrecked the joint. It was a simple proposition: wreck the joint; wreck everything; destroy consumer confidence. Even with all of that, we managed, with a hung parliament, to succeed in terms of keeping the economy strong, keeping people in jobs, keeping interest rates low, making sure that students had opportunities and making sure that small business grew.
And guess what? There were actually more small businesses during our time in office than there had ever been in the past. The number grew faster and there was an addition of small businesses. But what was even more startling about that figure was that there were more small businesses actually making more money than there were small businesses making less money.

That was the case because Labor understood that, if you are going to help the economy grow, and you believe in small business—you believe that they are the engine room of the economy and the employer of people in the economy—then you assist them and you assist them directly. You make sure that at key, critical times you are not wasting money on them; you are investing in small business. If you invest in small business, they get to employ people and keep their doors open and keep our economy strong. We did that, through some very good and deliberate things.

Labor has got a fantastic track record on that. I know that that might sound strange, particularly to the Liberal Party. But what did the Liberal Party do when it came to government? The first thing it did was to attack its friends, the small business people. It ripped away $4 billion worth of direct assistance. It took away the tax loss carry back. It took away a whole range of assistance that was there and, even worse, it not only said, 'We are going to take away, directly, money and assistance that helps you to operate and employ people,' but also took away services and programs—important ones.

Who in their right mind would ever cut Commercialisation Australia? This is the group charged with helping small business to get from entrepreneurship and innovation to the next big step forward. Every time you hear any member in this place talking about innovation they always go, 'It's great; we're great innovators but we can't get to commercialisation.' Well, that was Commercialisation Australia's role, and it did it really well. Take the Innovation Investment Fund—innovation investment: surely that is a good thing for the economy? Surely you would invest in people? Then there was Australian Industry Participation, because industry came to us in government and said, 'When there are really large contracts, it is foreign companies that come in; they get the lion's share and Australian industry misses out.' We said, 'You will need to compete and compete fairly, but we might set up a program which means there has to be a participation plan.' It was well accepted. It was a good program, by the way—really good. Gone! Enterprise Solutions—gone. Industry innovation councils—gone. Enterprise Connect—gone. Industry innovation precincts—gone. What does this tell you about this government, as to all this innovation and enterprise? One, that they do not care about it, and, two, that it is not one of their priorities.

In the few minutes that I have left, I will talk about—as painful as it is, because it is painful—how it is the ordinary people that pay the highest price. It is the elderly. It is those who will be paying an extra $7 as a new GP tax—a tax that no-one heard about before the election—every time they go to the doctor, get a scan or pick up their prescriptions. It is students who will have to pay a lot, lot more, pay it back quicker and pay higher interest rates. Getting the budget back in order does not mean you have to slug students, who are some of the poorest citizens in the country. Certainly you would not be slugging pensioners. Certainly you would not be using tricky words. The Prime Minister or the government would not be using tricky words around pensioners, because pensioners, in my view, are a no-go zone for these sorts of changes. That was the promise that was made before the election, that there
would be no change for pensioners—nothing, no touching pensions. That promise was clear
to me and I think it was clear to every single pensioner in this country.

It was clear to families that nothing would get changed in terms of family tax benefit A or
B. Guess what? They are getting slugged as well. The sick, the elderly, workers and people
looking for a job are too. We are supposed to be helping people. Isn't that the idea? If you
want a strong economy, 5.8 per cent unemployment is too high—whatever the figure is, it is
too high—but people will have to keep working. The reality is there are people out there
looking for work and they want work. The problem is there are not enough jobs to provide for
all of them. In the meantime, government have a duty as does the community, because we are
in a good society and we have a rich country, and we should acknowledge that. I am sure
plenty of people around this parliament could look and go 'tut, tut, tut' and all the rest of it, but
the reality is we do have a great country.

I just cannot wait for the one time when Tony Abbott as Prime Minister of this country
stands up and backs Australia, in a speech here, overseas or anywhere, and says something
good about the country, something good about the economy, something good about workers,
something good about pensioners and something good about all the people who built this
country. My challenge to the Prime Minister is to go out there just once and say something
good about Australia—back your own country when you go overseas and say good things
about your country. This is a disgraceful budget and it should be condemned.

Dr HENDY (Eden-Monaro) (10:31): I rise in support of the Appropriation Bill (No. 1)
2014-2015 and cognate bills before the House. It gives me an opportunity to speak about the
government's plan for jobs and to build a strong and prosperous economy. These bills are the
core of the budget that was delivered two weeks ago. Some may disagree, but the fact that the
budget is still a matter for debate and remains a key national focus is a good thing. Normally
budgets recede very quickly from the public debate. Sometimes they disappear within a
matter of a couple of days. The fact that this one is still front page news means that the media
and the Australian community regard it as important to debate economic issues and the state
of the Australian economy. As an economist, I think that is a good thing. As the member for
Eden-Monaro seeking to implement good policy on behalf of my constituents, I also think it is
a good thing. I first worked in the federal Treasury 30 years ago and I am probably one of the
few people in Australia who has read every federal budget for the last 30 years. This budget is
one of the most purposeful and strong budgets I have seen for 30 years. It is a true watershed
in the economic management of this country.

The Rudd-Gillard-Rudd governments' six years of chaos, waste and mismanagement
delivered higher taxes, record boat arrivals and debt and deficit as far as the eye can see.
Labor's debt is already costing us about $1 billion a month in net interest payments, and that is
borrowed money. No country can go on paying the mortgage from the credit card. One billion
a month, or basically $12 billion a year, would be better spent on what the people need. It
would fund, say, more than 10 new base hospitals a year—that is year on year. I would prefer
it if we did not spend that on interest but on health, education or social services, the sorts of
things that the people of Eden-Monaro want.

The problem is that if we do not fix the problem now it will worsen. It would rise to $2.8
billion a month in 10 years time. This is the problem that Labor left us. You cannot keep
borrowing on the credit card to pay the interest on the mortgage. You cannot keep paying
interest on the interest. We are pushing on and, in the absence of any alternative, we expect parliament to support our plan, otherwise the situation will just get much worse in the future. The tough decisions we are taking now are necessary to avoid even tougher decisions having to be made in the future. Under Labor, the jobless queues grew by over 200,000, a stark contrast to the growth in jobs of more than 250,000 under the Howard government.

The measures outlined in the budget are absolutely necessary to secure Australia's economic future. The budget outlines a clear plan—in fact, the only plan—that will address Labor's debt and deficit disaster. Instead of having Labor's deficit of over $30 billion in financial year 2017-18, it comes in at under $3 billion. We have taken, up front, a lot of tough but vital decisions for the country's future.

Let's remember the problem that the government is trying to fix. When the coalition last left office in 2007, Australia had a $20 billion surplus and $50 billion in the bank, but over six years Labor squandered this and ran up five record deficits and a further $123 billion in projected deficits and gross debt headed towards $667 billion. Now the Labor Party are desperately trying to scare people by spreading untruths about the budget. For example, they will not tell you that funding for schools and hospitals increases each and every year under our budget and that the rate of the pension will continue to go up twice a year, every year.

I want to address a few issues that have been part of the debate in the last fortnight. There have been ridiculous claims about so-called cuts to education and health spending. Nothing would be further from the truth. The budget does not cut funding for health. Annual federal assistance to the states for public hospitals will increase by more than nine per cent every year for the next three years and by more than six per cent in the 4th year. This is a 40 per cent increase over the next four years. We are increasing funding for states to run public hospitals by more than $5 billion or 36 per cent from $13.8 billion in 2013-14 to $18.9 billion in 2017-18. Overall, annual health spending will increase by more than $10 billion or 16 per cent from $64.5 billion in 2013-14 to $74.8 billion in 2017-18. The government is also putting the growth in health spending on a more sustainable trajectory from 2017-18, but every year it will continue to grow.

Let me also say a few words about GP co-payments. From 1 July 2015, previously bulk-billed patients will contribute $7 towards the cost of standard GP consultations. Ten years ago, we were spending $8 billion a year on Medicare; today we are spending $20 billion. So we are asking everyone to make a modest contribution to ensure that Medicare is sustainable for the long term. A strong safety net will be put in place. Concession cardholders and children under 16 will only pay the contribution for the first 10 visits each year. The government will not waste this money. Every dollar of savings in health expenditure in the budget will be reinvested back into the Medical Research Future Fund. But there is a very important point to make here. The government is not introducing a co-payment as much as reintroducing it. Prime Minister Bob Hawke actually introduced it in the 1991 budget. He and his health minister, Brian Howe, fully supported it. Someone else who has supported it is the member for Fraser, who also happens to be the shadow Assistant Treasurer. He is supposedly the brains trust for the Labor Party's economic team. When he was studying for his PhD, which he got in 2004—not that long ago—he argued in relation to a co-payment that, to quote from a 14 April 2003 article in The Sydney Morning Herald:

A just doctor's fee will aid the needy but deter the frivolous.
This article is worth quoting at length. He said:

But there's a better way of operating a health system, and the change should hardly hurt at all. As economists have shown, the ideal model involves a small co-payment—not enough to put a dent in your weekly budget, but enough to make you think twice before you call the doc. And the idea is hardly radical. Countries with a co-paying public health system include Austria, Belgium, Finland, France, Germany, Greece, Iceland, Ireland, Italy, the Netherlands, Norway, Portugal and Sweden.

He went on to say:

In 1991 Australia introduced the perfect co-payment system—$2.50 …

He further wrote:

Converting the 1991-92 scheme into today's money would be equivalent to $3.50. That was in 2003. One would say that 10 years after that article was written the figure might be, say, $7. What a coincidence. Finally, he wrote about our co-payment:

It would be enough to deter the GP visits but not enough to limit genuine preventative care. Everyone, including pensioners, should pay.

The shadow Assistant Treasurer says that he no longer supports this policy and that he was a naive university student back when he wrote those comments. He does himself a disservice.

For my sins, I have also done a PhD. Can I tell the House that a PhD usually involves a minimum of four years research where you grapple with the subject day after day, coming to grips with every argument, every nuance and every alternative argument. And after four years you come to a considered decision. It would appear that in the space of four weeks the shadow minister has dumped four years of careful consideration. Political expediency will do that to you.

Let me now turn to education. Commonwealth funding for our schools will continue to increase each and every year. Students and schools will benefit from the government's record funding investment of $64.5 billion over the next four years. We are putting in place other reforms to improve the quality of teaching, because money is not the only answer to better schools. From 2013-14 to 2017-18, total Commonwealth funding to all schools in Australia will have increased by 34 per cent, a $4.6 billion increase. This is over $1.2 billion more than Labor would have spent over the next four years. From 2018 there will be a stable and sustainable system for schools funding based on the CPI plus growth in school enrolments. But every year schools funding will continue to go up and up.

Our proposed deregulation of universities will ensure that Australia's higher education system is not left behind by global competition. Our goal is to ensure Australia has one of the very best higher education systems. Our higher education reforms expand opportunities for students. For the very first time, alternative pathways to higher education are provided by providing direct financial support to all students studying diplomas, advanced diplomas and associate degree courses. This will open up higher education to around 80,000 more students by 2018.

Finally, let me make some comments about Labor's scare campaign. Even if you are prepared to swallow their rhetoric, you have to ask the salient question: if they are saying we have cut $80 billion out of health and education funding then please tell us where on earth is Labor going to find the $80 billion to meet such fantastic election promises? Are they going to make $80 billion in expenditure cuts? Are they going to raise $80 billion in further
taxation? Or are they going to simply raise $80 billion in increased borrowings? That is the question for the Leader of the Opposition and his team. The time is fast running out when they can hide behind rhetoric.

I listened very carefully to the Leader of the Opposition's and the shadow Treasurer's speeches in reply to the budget. Neither offered any alternative plans to deal with Australia's debt and deficit problems. Indeed, they are in complete denial. We know they are opposed to most things proposed by the government. A week or so back, the Treasurer produced a detailed list of $40 million in budget repair measures that Labor is opposing in the Senate. Since then, the deputy opposition leader has reconfirmed that the Labor Party will meet a 0.5 per cent of gross national income target on foreign aid. That will be a trifling $16 billion in additional expenditure over four years. Where is that money coming from? At the National Press Club the shadow Treasurer rabbited on about the innovative world of crowdsource financing. I can tell the shadow Treasurer: that is not going to fix the debt situation hurtling towards $667 billion or $25,000 for each man, woman and child in the country.

The fact that Labor do not admit that there is a debt and deficit problem is mind-boggling. They have learnt nothing from the chaos in the last six years. They still have not realised that the fundamental reason they lost government after only two terms is that the people of Australia did not trust them with control over the budget and the economy. Until they accept that, they will simply be a destructive force in our polity and not a positive one working in the national interest.

In conclusion, let me say: the government is making decisions that repair the budget, strengthen the economy and prepare Australia for the long-term challenges before us. As I said earlier, these bills are part of the recovery plan to put the budget back on track and to reverse the growth in unemployment. I support the bills before the House.

Mrs ELLIOT (Richmond) (10:45): I too rise to speak about the impact of this budget, across the country and particularly in my electorate of Richmond in northern New South Wales. I want to talk about how it is going to impact regional areas, where I feel it will be very harsh and very severe. That has been the feedback I have received from many people since the budget was first announced.

It is a budget of many broken promises, and I will run through some of those in detail a bit later on. Many locals were concerned about the many broken promises but they were also concerned about the number of really cruel cuts and unfair increases in the cost of living. It has impacted a lot of people in my region; some people are really quite terrified of how it is going to affect their day-to-day living and their cost of living. They feel quite betrayed by the budget, as I said, because of the broken promises. There were commitments made by the 'Prime Minister of no cuts to health or education or changes to the pension', and that is why many locals in my area are now quite concerned about it.

Pensioners particularly are doing it really tough, as are local families. This budget will impact them quite severely. People in my area feel that betrayal not just from the Prime Minister but also from the National Party. The area has traditionally had quite a lot of National Party members—indeed state-wide and throughout the North Coast there are National Party members. They feel betrayed by them. People are saying: this is what we see Liberal-National governments do; they cut services and pensions, and increase taxes. So they feel betrayed and they are also quite distraught.
I have been inundated by so many people who are concerned about the budget that we are now holding a very large public rally. People want an opportunity to voice their concerns and to pass them on to the Prime Minister, to the Liberal Party and to the National Party. This rally is called 'Fighting for a fair go for the North Coast'. We are holding it on Thursday, 12 June at 10 o'clock at the Tweed Heads Civic Centre. We have been inundated with many people who are keen to come along and talk about the impacts of some of these changes, particularly things like the GP tax, the petrol tax and the cuts to pensions and family benefits. As I said, a lot of older people are particularly interested. But many families are also going to be coming along to this rally. I welcome anyone who wants to come along, from right around the area and outside the electorate, and I will be happy to pass on all of their concerns.

I would like to read an email I received only last night, from a gentleman in Kyogle. Kyogle is a town outside of my electorate of Richmond—it is actually in Page right next door, an electorate currently held by a National Party member—but I felt that parts of this email really reflected the concerns of many people on the North Coast. This fellow said:

The Liberal federal budget cuts to pensions, concessions and lowering to CPI will cause me to be unable to pay rates, afford car rego, electricity and phone. I am already living at the bare minimum, and this will cause me to be homeless by having to default on bills and council rates and have the council resume my home and be awarded costs, leaving me to live on the street, without even a car to sleep in as rego will be unaffordable.

He then goes on to talk about the impact of the GP tax; the impacts of the cut to Newstart for his niece and nephew; and the grave concerns he holds for his mother and how it will impact her. He also talks about how the petrol excise will make it even harder for him, because it will become a lot more expensive to run a car in a regional area. Reading through that email, it was quite distressing to see how it was going to impact this fellow and his family. I asked him if I could read some of this letter out today so the House would be aware of how people are feeling genuinely worried about some of these cuts. So I thank that gentleman from Kyogle who raised all of those concerns with me.

It is a budget of broken promises. I would like to run through some of those broken promises and what the actual announcements were in comparison to the commitments we had before the election.

First of all, we had the Prime Minister, back on 6 September last year, saying, 'No change to pensions.' Yet now, from the budget, we have a new indexation system for pensions. We know that indexation will change to CPI and that will also include age, disability, carers' pensions, parenting payments and veterans' payments.

Those pension cuts are really going to impact people, particularly in my electorate, across all of those areas, but especially with the age pension; these people are living week to week. And let us remember that these are the people who built our nation. They are very concerned about these cuts to their pension and are also very concerned about the freeze to the means-test thresholds on pensions. They are very worried, particularly because there was that previous commitment.

Also, when we get to taxes there is a lot of worry in my area, particularly about the petrol tax. Of course, in regional areas you are impacted even more because you often have to travel further distances, no matter where you may be going or what you might be doing. We heard the Prime Minister, back on 20 November 2012, say: 'We're about reducing taxes, not
increasing taxes. We're about getting rid of taxes, not imposing new taxes.' As I said, that was in November 2012. Yet with this budget we are seeing this new tax in the petrol tax which, again, really impacts regional areas, and the House has to understand how severely it will impact there.

Health is a very, very big concern in my electorate. Again, we had the Prime Minister say on 6 September that there would be no cuts to health. So to see the expanse of cuts to health has been really distressing, again, for many seniors. I think it is across a whole range of issues. We have the ripping out of $50 billion in relation to hospitals which will flow on in terms of the services that they can deliver. Who knows what impost there might be in terms of seeing emergency rooms or the number of beds cut? There are a whole range of concerns there. But, without a doubt, it is the $7 GP tax or 'doctor tax' that people will have to pay that is of concern. We heard the Prime Minister say that it is just a modest amount of money. But I think that shows that he is out of touch with these concerns. These people are terrified. These are elderly people with sometimes complex health needs and they are having to pay this money when they go to the doctor, or get X-rays or blood tests. They are really worried about that because, obviously, that is the time of your life when you do have increasing health needs. Our families with young children are just as worried as well, when they have to go to the doctor or access some sort of health care; they are worried too. In fact, I hear, right throughout my electorate, of people actually cancelling appointments with the doctor because they are concerned that it is already in place. If people do not access that important primary health care it can have a huge flow-on effect. It could lead on to very complex problems. People are also worried about the increase in PBS co-payments. Again, for everyone, but particularly for elderly people, that can mean a huge amount in terms of the money they will have to be paying. So those broken promises on health are devastating, and particularly devastating in regional areas.

We also see cuts to schools and education. This is, quite frankly, heartbreaking. Again, we had the Prime Minister, on 6 September, saying, 'No cuts to education.' Yet now we will see over $181 million cut from education over five years. We see this reduced indexation, also, of federal government payments. That is just devastating for kids, again in regional areas, particularly when you compare it to when we were in government, and the massive investments we made in our schools, whether it was through the Building the Education Revolution or through the many plans or through the Gonski reforms. They were wide-ranging. It was about recognising the value of education and making sure that all kids, no matter where they lived, had access to all those very important educational outcomes that they should be able to get. We understand how important that is.

Let us look at another cut, which I think is devastating—the cut to family payments. Again, I will quote the Prime Minister, when he said, in May 2011, that a dumb way to cut spending would be to threaten family benefits or to means test them further. Yet we are seeing cuts to family tax benefits A and B, and we are seeing reducing eligibility for part B as well. This of course, again, will also be devastating for families, because we know how important those payments are. So there are many cuts in this budget that will impact on families right across the board, from family payments to health.

Another cut which has had a big impact and which a lot of people in my area are concerned about are those cuts to the ABC. We are seeing cuts not just to the ABC but also to the
Australia Network, which provides a very vital service. I do want to focus, when it comes to the ABC, on how it could potentially impact on areas like mine and on the regional ABC, which provides an outstanding service. The ABC within my area is vital, as it is to many communities. I hear frequently in regional and rural communities how important it is. There are major cuts: we are looking at over $232 million to be cut across the board from the ABC. I am very worried about the potential impact on our local ABC and what that might mean.

I would like to move to some of the cuts that impact young people in my area across a range of issues. First of all, the cuts to programs like Youth Connections are really devastating. At a time of rising youth unemployment, we are seeing cuts to programs designed to help young people get into the workforce and prevent them from slipping through the cracks. We saw cuts to Youth Connections and a number of other programs as well. Indeed, the cuts that will impact the Byron news service were highlighted recently in the Byron Echo. It is an outstanding service that supports young people. Cuts to a program like Youth Connections impact programs like the Byron news service and the great support that they provide to people that are at risk of disengaging early from school to transition into vocational training and work. We are very worried about those particular cuts, and I think it will have a huge impact in my area as well.

It is just devastating when we look at some of those cuts to youth training and the billions of dollars that have been cut from apprenticeships and training and from the National Workforce Development Funds as well. All of these programs that are about providing support, services and training for young people are all gone, which will be quite devastating.

The deregulation of university course fees particularly worries me. The change on the interest payable on some of those loans will be devastating for young people, again, from regional areas. It can be quite difficult if you are from the country to get to university. I feel this makes it almost impossible for many of them now. They simply will not be able to afford these increases in university fees. Some of the amounts we are seeing are staggering. I hear from families whose dream was for their kids to get to uni and it is just not on their radar now. They know that it is not possible. I think that is particularly devastating for regional areas. We want our kids to be able to go to lots of universities and come back to these areas and stay in these areas but, for a lot of those kids, they will not be able to do that now. Again, I think that is a major cut. We saw the education minister say back in August 2012 that the coalition had no plans to increase university fees yet in this budget that is precisely what we saw. It is another broken promise that has upset many people throughout my area.

Some of the cuts will really impact senior people in my area. The termination of the National Partnership Agreement took more than $1.3 billion from rates and other discounts that pensioners get in relation to their public transport, electricity and water bills. For an area like mine, this is going to be absolutely devastating, particularly in the flow-on for seniors and some of the discounts they get for their rates. I will give you an example. In the Tweed Shire there are more than 8,000 pensioners who are eligible for rent rebates of more than $400. That is all under threat now with this particular national partnership having been terminated. Again, these people cannot afford increases with their rates rebates potentially being cut on top of everything else that I talked about today like the GP tax and the petrol tax.

I think the cuts to councils are even more devastating when you look at what has happened to the Financial Assistance Grants Scheme as well. For example, from an area such as
Bellingen to the Tweed, right up to the border, you have got nine local council areas on the North Coast. They will lose $20 million in grants under these cuts in the budget. That is devastating for those rural and regional council areas that really rely on those financial assistance grants. It is a huge amount, $20 million. That money goes to vital services that local councils provide. Potentially, what option will these councils have? It may be that we will see rates rise because of the Abbott government's cuts to the Financial Assistance Grants Scheme. The end result may be that rates go up in all of these rural and regional areas. These are increases that people cannot afford on top of the many other cuts that we have seen. It is particularly devastating because these councils do a good job and having that cut will just devastate them and the services that we really need to see. Contrast that with when we were in government and the massive amount of investments we made in regional and rural areas to assist a whole range of projects. Without a doubt that is one of the big concerns. The budget really is a bit of disappointment for farming communities, particularly with the budget reducing Landcare funding. That is pretty devastating for many regional areas as well.

What we have seen is a whole range of broken promises and cruel cuts. The Labor Party are very committed to making sure we are fighting much of this. We are fighting to protect Medicare; we are opposing things like the petrol tax—we understand how devastating that will be. Right at the centre of that, as I say, is making sure that we preserve Medicare, which is so important throughout the country, particularly to areas like mine.

In conclusion, all of these budget cuts and broken promises have been of deep concern to the people of my electorate of Richmond, so much so that they were very keen to have a public rally, which, as I said, we are having on Thursday, 12 June at 10 am at the Tweed Heads Civic Centre. That is a great opportunity for people to come together and for elderly people to voice their concerns. They have asked me to pass those concerns on to the House once we have had that rally. As I said, those concerns are very wide ranging. We in the Labor Party are very proud to stand up for those people, all of those people who have been impacted severely by the budget, whether it be in health or in education. We will certainly stand with them and fight these very cruel and unfair budget cuts.

Mr FLETCHER (Bradfield—Parliamentary Secretary to the Minister for Communications) (11:00): I am very pleased to rise to speak on the Appropriation Bill (No. 1) 2014-2015 and cognate bills. In the brief time available to me this morning, I want to make three points. Firstly, what we have before the House is an honest budget offering a credible path to surplus. Secondly, we have a budget which deals with the growing debt problem that we have been left as a legacy by the previous Labor government. Thirdly, we have a budget which introduces some strategic measures to deal with the volume of entitlement spending.

Let me turn firstly to the proposition that this is an honest budget offering a credible path back to surplus. That is a bit of a change, because we have had six years of dishonest budgets from the member for Lilley. Who can forget the 2012-13 budget, where he proudly said:

The four years of surpluses I announce tonight are a powerful endorsement of the strength of our economy—
et cetera et cetera. He continued:

This budget delivers a surplus this coming year, on time, as promised, and surpluses each year after that, strengthening over time.
This was, I am sorry to say, only part of his miserable track record of wildly missing his promised outcomes, year after year. In March 2008, the then Treasurer, the member for Lilley, promised a surplus of $21.7 billion. The final result for 2008-09 was a deficit of $27.1 billion. For 2010-11, he was up to his old tricks. He promised a deficit of $40.8 billion. He delivered a deficit that was $47.8 billion. In 2011-12, he promised a deficit of $22.6 billion. He delivered a deficit of $43.7 billion. And in 2013, of course, he promised a surplus of $1.5 billion and delivered a deficit of $18.8 billion. When Swann delivered his budget speech in May 2012, we were coming to the end of the 2011-12 financial year, in which the federal government recorded a deficit of over $43 billion, yet he was promising, as he stood up at the dispatch box, an implausible turnaround of roughly $45 billion in just one year. Surely, even as he was delivering his speech, the member for Lilley could not have believed that he was laying out a credible plan, a plan he seriously thought he could deliver on.

By contrast, the 2014-15 budget does lay out a measured and credible path forward. It starts by recognising that we have inherited a legacy of spending dramatically ahead of revenue, with the latest estimates of the 2013-14 outcome being a deficit of around $50 billion. So that is the starting point that we have inherited from Swanny. This budget, delivered by the Treasurer, the member for North Sydney, lays out a four-year path to steadily reduce the deficit each year so that by 2017-18 it will have fallen to $2.8 billion. Over that four-year path, the underlying cash deficit is projected to be $60 billion over those four years, compared to the $123 billion it would have been had we stayed on the path that we inherited from Labor.

And, of course, the other key reason why this is a credible plan—as opposed to the series of completely implausible projections and plans delivered by the member for Lilley when he was the Treasurer—is that it is being delivered by the very same team, the very same side of politics, which in the Howard government years started out with a deficit of $6 billion in 1996-97, again inherited from the previous Labor government, turned it around and was soon delivering, year after year, a steady stream of surpluses and, in turn, gradually whittling away Labor's debt. It is a credible budget with a credible plan—a stark contrast to the dishonest fantasies perpetrated by the member for Lilley, year after year, during that grey and dismal time when this country was unfortunate enough to have him as our federal Treasurer.

Let me turn to the second proposition, which is that a core feature of this budget is that it seeks to come to grips with the debt problem that we have inherited from the previous government. The Labor Party left the Abbott government to deal with a huge debt legacy, with a debt projected to rise in gross terms to $667 billion by 2023-24. By contrast the path which is laid out under this budget will see gross debt in 2023-24 dramatically lower at $389 billion. But it is not just the numbers that matter here, it is the underlying attitude of the two sides of politics to the ballooning government debt which was Labor's plan. There is a fundamentally different philosophy on this side of the House about the importance of getting debt under control. By contrast, Labor's attitude is: 'Let's just keep putting it all on the credit card; we will worry about it later.' 'And why should we worry,' they say, 'because total debt to GDP ratio is low compared to many OECD countries.'

The opposition leader, in his budget reply speech, claimed that 'Australia is fundamentally strong and so is the legacy Labor left behind, with net debt peaking at just one-seventh of the level of the major advanced economies'. And doesn't that word 'just' do such a lot of work in
that particular quote! Let me highlight three reasons why Labor's 'why worry?' approach is misguided. I argue that government debt matters very much, and that is why this Abbott-Hockey budget is taking the right approach. The first point of course is that, once you start to build debt, it gets harder and harder to turn it around. You know you should do something about it, you know you should tackle it, but you keep putting it off, you keep having deficit after deficit after deficit, and the debt keeps getting bigger and bigger.

The Rudd-Gillard-Rudd government saw precisely this growing loss of discipline. Let us compare what the Rudd-Gillard-Rudd government delivered and budgeted for over the period 2012-18 and what was achieved or planned for in a range of other countries. We saw government funding increase in real terms by 16 per cent, much higher than most comparable countries. For example, New Zealand had a seven per cent increase over that time, Sweden had a 10 per cent increase and Japan had a mere three per cent increase, yet here, under Labor's plans, we were merrily increasing spending by 16 per cent. Equally importantly, over that same period, we saw the Labor government planning for Australia's net debt as a percentage of gross domestic product to increase by some eight percentage points; it was going to get worse by some eight percentage points. That is a considerably worse performance than the US, Canada and Sweden and much worse than a wide range of countries where, over the same period, the ratio of net debt to GDP actually fell, actually improved. Of course, the countries in that category included Greece, Korea, Germany, Belgium and Austria.

The second reason why debt is fundamentally important, why Labor's 'why worry?' approach is so misguided, is that, as debt grows, the burden of serving it grows each year. This year our total interest-bearing liabilities are estimated to be $358 billion and the total interest expenditure for 2013-14 is going to be $14.4 billion. That is $14.4 billion that cannot be used on schools, roads, hospitals and all the other essential spending requirements faced by government. Let us remember that this money has to be repaid by individual taxpayers. According to the 2011-12 taxation statistics, the most recent ones published, there were 9.7 million individual taxpayers who each paid an average of $16,270 in tax. If we project that forward to 2013-14, we can estimate that covering that interest bill of $14.4 billion would use up all of the tax paid by 917,000 taxpayers. In other words, almost a million taxpayers are paying tax for no other purpose but to cover the interest payments on the debt that Labor has racked up. The other reason why debt is so important is that as your debt rises you are more vulnerable to a rise in interest rates. We are in a historically low interest rate period now but that will not last; these things never do. If rather than a 3.7 per cent interest rate or funding cost assumed in the current budget the rate had been five per cent then the interest bill for 2013-14 would have been nearly $20 billion.

The third reason why it is so important to get debt under control is that if you do not risk getting yourself into a hole you simply cannot get out of. A magisterial piece of economic research was the book This Time is Different: Eight Centuries of Financial Folly by Reinhart and Rogoff, released a year or two ago. They had this to say:

… excessive debt accumulation … often poses greater systemic risks than it seems during a boom.

They went on to say:

… again and again countries take on excessive debt in good times and without enough awareness of the risks that will follow when the inevitable recession hits. Many players in the global financial system often dig a debt hole far larger than they can reasonably expect to escape from.
If only Swanny had read that book before he did some of the things he did.

You need only look at the difficulties faced by nations like Greece and Ireland when the financial markets insisted on austerity measures to get their ballooning debt under control. This budget is not an austerity budget, despite the overblown and hysterical claims from the Labor Party, but the best way to avoid being forced into drastic cuts in public expenditure is to keep your debt under control. I want to quote from an article in the UK *Independent*, which had this to say about the Greek government's austerity measures:

Greece's public hospital budget was cut by 25 per cent between 2009 and 2011 and public spending on pharmaceuticals has more than halved. … Rising unemployment in a country where health insurance is linked to work status has led to an estimated 800,000 people lacking either state welfare or access to health services and in some areas international humanitarian organisations … have stepped in to provide health care. …

We never want to be in such a position in this country, and that is why we are taking the actions we are taking in this budget.

That brings me to the third major point I want to highlight, some of the strategic measures being taken to deal with entitlement spending and ensure that that does not get out of control. Take, for example, the age pension, which constitutes almost 10 per cent of total Commonwealth expenditure. For many years the entitlement age for age pensions was 65, an age originally set by the German Chancellor Bismarck over 100 years ago at a time when only a very small percentage of people lived to that age. That became increasingly unviable as more and more people, happily, survived longer and longer. That is why a previous government took the wise decision to increase the pension age to 67. We have built on that reform direction in this budget by gradually increasing the age pension age to 70 by 2035 and by linking pension indexation to CPI movements from September 2017.

There is a range of other measures we are taking. For example, all payment eligibility thresholds will be maintained for three years from 1 July 2014 for non-pension payments and from 1 July 2015 for private health insurance rebate. There will also be a three-year temporary budget repair levy payable by individuals with a taxable income above $180,000 at a rate of two per cent. We would love to be able to say to the Australian people: 'We don't need to do any of this. We can just keep spending ever larger amounts of money in major program areas such as age pension without considering the long-term impact.' But the frank reality is that we just cannot keep going as we were. We need to take some strategic decisions to get our deficit and debt under control and this is vital to protect the capacity to continue to deliver very substantial spending on health, education and welfare and all the other incidents of a prosperous and civilised society. Bear in mind, despite the misleading claims from Labor, we are continuing to spend in these areas. In health, spending will rise from $64.5 billion this year to $74.9 billion by 2017-18.

Let me conclude by observing that this is a budget in which the coalition are demonstrating a responsible and determined attitude to manage our resources so that government can continue to support all who need its support but in a way so that we are not continuing down an unsustainable path of ever rising deficit and debt and an ever weaker capacity to sustain the social spending which government delivers. From Labor, we hear mere opportunistic political bleating. On this side, we are taking the responsible decisions that must be taken to secure our nation's future.
Mr LAURIE FERGUSON (Werriwa) (11:15): The previous speaker in relation to the budget spoke of entitlement spending and the fact that we should not let it get out of control. I want to say that one of the little commented upon aspects of this budget is the structural damage that the previous Liberal government did to the long-term budgetary situation in this country; of course, there are a variety of sources that we can cite in regard to this. Stephen Koukoulas noted in 2013:

If the current Labor government delivered growth in real government spending during its first five years in office at the same pace the Howard government had in the years from 2000-01, government spending would be almost 6% (or around $20 billion) greater in 2012-13 than is the case.

Had Labor spent at the same pace as the Howard government did from 2000-01, there would be no chance of a budget surplus in any year of the forward estimates out to 2015-16. The level of government debt, to the extent it matters, would be more than 50% larger by 2014-15.

He further noted:

Never once did the Howard government deliver a cut in real spending in any of its 12 budgets.

He also noted:

In simple terms, the facts show that in the five years from 2000-01, the Howard government increased real government spending by around 23%. In the five years from 2007-08, when Labor has controlled the budget purse strings, growth in real government spending has been a tick over 17%, including the 12.7% increase in 2008-09 when the GFC was bearing down on the Australian economy …

Quite clearly, that quote makes two points. The first is the reality of the global financial crisis. Paul Volcker, the former chair of the US Reserve Bank, had to put a book out in the last few months, apologising to the world for his understating of what was going to occur in the US due to the housing credit market collapse. He actually did notice a global financial crisis. Southern Europe is still enduring those problems. In Australia, a government had to act to protect jobs, to make sure people were trained, to make sure that when we did actually try to counter this international crisis that it was done through worthwhile construction. Koukoulas's comments, as I say, go to one point—the question of the previous Liberal government's contribution to our current economic problems, and the fact that the Labor figures have to be seen in the context of the global financial crisis and countering it. He is not the only person to make this point about a Liberal dereliction of duty in regard to government expenditure.

The IMF—not necessarily a favourable institution to Labor Party philosophy—commented that real government spending grew faster in the last four years of the Howard government than at any time since the 1990s recession. The IMF noted statistically that only one spending decision of $1 billion or greater was made in the first Howard government budget but that somehow, miraculously, for some unknown reason, by the final budget they had reached a number of nine. One thinks somehow that this was perhaps due to the electoral cycle.

The profligacies of 2003 through to 2005-07 have been noted as among the worst instances of government spending in this country historically. That is from the IMF. They actually favour cutting back on welfare and support market deregulation and many other initiatives that are close to the hearts of those opposite, but they have said, in being objective, being analytical, looking at the real facts, that the long-term budget problems in this country have much to do with what happened during that period when the Howard government, for re-election, basically expanded the entitlements that the previous member talked about and
extended them to people whereby the average Australian would find it quite questionable. On 11 January 2013, Leith van Onselen commented on the same matter that:

The Howard Government presided over the biggest private debt boom in Australia's history and, in its later years, one of the biggest terms-of-trade booms.

That is fact. That is part of why there was, supposedly, such a miraculous effort by this government and how they could, in some ways, balance budgets. Not much to do with their IQs, or their education or their competence, but more to do with the realities of the Australian economy which were beyond their controls. Van Onselen went on to note:

These two events meant that the Australian economy grew strongly and fostered strong growth in both employment and incomes. Importantly, it also flooded the Government with tens of billions of dollars worth of extra taxation

... ...

They ... looked like sound managers by virtue of the fact that their revenue base expanded inexorably and their budgets remained in surplus, despite a raft of questionable (and costly) spending decisions.

That is a series of people with some credibility making that point. On 18 May 2011, Ross Gittins spoke of the questionable decision for superannuation payments to be tax-free for those aged over 60. He cited the baby bonus; the 30 per cent tax rebate on private health insurance—which by 2013 had grown to $5 billion a year, a policy to subsidise a product that many people in the Australian electorate do not want; a deliberate policy by this government to help those companies, basically favouring a particular product that people do not desire; and he talked about the minimally tested family tax benefit and the augmentation of that to an income level of $150,000.

We have a series of writers who have spoken of a profligate policy by the government, and a situation where the government had boundless money coming in—not from revenue from the minerals boom; not because of their own expertise—and they were able to do enormous long-term damage to the Australian economy. This budget will hit poorer Australians and is very much based around a scare campaign, and around an argument that, 'if we don't do this, it is the collapse of Western civilisation'. The member for Fairfax is one of many people who have cited the reality that the government debt is at around 12 per cent while the average government debt in advanced countries is around 73 per cent. I remember Peter Costello saying for years that Labor was comparing this country to Malawi, to Botswana and to Burkina Faso—but that is what the coalition are doing now. If we look at the reality, in the advanced countries the level of government debt is far higher than in this country—because they believe that society is worthwhile, and that people should have decent health, transport, education et cetera. What we are seeing here is a massive change of direction being justified by this scare campaign. And I am not the only person saying that this is class-based: we have NATSEM modelling, cited in The Sydney Morning Herald on 23 May, which makes this point: 'The poorest 20 per cent of households would contribute $2.9 billion over four years to the government's fiscal repair effort, while the richest 20 per cent would contribute $1.8 billion'.

Mr Abbott says it is a tough budget but, quite frankly, it is tougher for people in south-west Sydney, in seats such as my own and the adjacent seat of Macarthur. It is tougher for unemployed people; young people in particular. And I have been surprised that one of the ready-ups I have had from this budget has been the significant number of older people—who
often don't have too much sympathy for younger Australians, particularly when it is their kids—coming to my office and raising the precarious situation young people face. One person last week spoke of his son. He has bought a house for him; the father is not too badly off. But his son is a person who has a very poor employment record because of problems that he faces. The father is setting up a small business for him to try to make sure he is not dependent on paid employment, but he is coming to me and asking me about the outcome for his son, who is facing this spiral: six months with no pay whatsoever, and then six months of working for the dole and, possibly, if he misses a few interviews—and he does have disability issues—another two months because he missed interviews and then, maybe, because he did not get a job, going another six months without anything. We know that other unemployed youth have had their incomes slashed from a miserable $13,000 a year to about $10,000, a 20 per cent reduction in their incomes, when this government argues simultaneously that the big end of town is suffering so much—which is, as we know, for a very short period and a smaller proportion of their income—because of this so-called debt tax. That person is concerned about what is going to happen to him and also for his chef son-in-law, who just got a job in a restaurant. ‘What happens if the restaurant burns down?’ he is saying to himself. They are the situations that the people in the real world in south-west Sydney, long distant from this parliament, endure because of this budget, which is based on a false premise, an overexaggeration of the importance of government debt.

In that article in *The Sydney Morning Herald*, it was further noted by the Prime Minister's office that the 'average family will be $550 a year better off when the carbon tax is scrapped'. On that, I have just had a delegation from the Edmund Rice Centre: Maina Talia from Tuvalu, Teresa Nakankwien from Papua New Guinea and Tebby Tiannere from Kiribati. They are really questioning where this government is going in regard to foreign aid in the Pacific and in regard to climate change. One of the only things that they are really emotional about is the 'nonexistence' of climate change and the idea that it does not affect them. Last week, international experts said that the western Antarctic ice area is totally collapsing.

Further on the question of whether this budget is class-based, I refer again to Ross Gittins in *The Sydney Morning Herald* on 21 May. He says:

> It works out that low income-earners—generally the old, the young and the unemployed—are heavily dependent on government spending, and genuinely middle income-earners with dependent kids are significantly reliant on government spending.

This question was further elaborated upon in *The Australian Financial Review* of 23 May, this time from a different source, the Grattan Institute. It noted:

> The group worst affected by bracket creep is the 1.2 million earning $38,000 to $46,000—
> I repeat those figures: those earning $38,000 to $46,000 a year—
> who will pay an extra 1.4 per cent of their income, or $565 a year, by 2016-17.

Those on $46,000 to $56,000 will pay an extra 1.1 per cent, but will face the same increase in dollar terms because of the way marginal tax rates are structured.

In the article titled 'Analysis confirms that poorest of families will pour $1.1b more into government coffers than the richest', we again have comments from the National Centre of Social and Economic Modelling, whose finding is cited:

Families with school-age children are the hardest hit. Across all income groups, they will lose $15.9 billion over four years, more than 90 per cent of the total.
So there is a systemic analysis which says that this budget, which is based on this overexaggeration of the crisis to justify very real cuts to poorer working class families, will make sure that they find it very difficult to go to university, with enhanced repayments for fees and deregulation of the universities. This will certainly undermine the University of Western Sydney as opposed to the leading eight universities.

There is a massive reduction in rail expenditure in this budget, more than halving the rail transport budget for people in south-west Sydney, who, because of their distance from Sydney are more dependent than others on transport. The deal they have in life is that they get out there and get a cheaper house, if they are lucky, but in return they will be extremely distant from employment centres. In this budget, not only have the government increased the price of petrol in reality but they have dramatically cut rail transport expenditure.

Look at the realities in that region. The south-west Sydney region has 9.1 per cent unemployment currently, and there is only one urban region higher than that in New South Wales. The youth unemployment rate there is 20 per cent. Just going back to transport, the actual figures in rail are $1,025 million in 2012-13 down to a miserable $319 million in 2017-18. In only four of the 28 districts in Sydney are the unemployment rates above eight per cent. As I said, in south-west Sydney, it is 9.1 per cent.

I want to particularly say that, whilst there has been much concentration upon the reality that pensioners face, a new indexation scheme, the government say they have not reduced the pension, but we know that for the average pension it is realistic to understand that, long term, this change in the way it is indexed means that pensioners are going to receive less money for their attempts to live in this country.

We have got a situation where people in the manual trades are being asked to work to 70 years of age. It might be very comfortable for clerical workers and it might be very comfortable for university lecturers and people in the finance sector, but to ask people in the manual trades, after years of hard labour, to go this long is very questionable.

The budget has hurt many people. It has hurt those people who aspire to go to university, it has hurt those people who are unemployed, it has hurt those people who are dependent on public transport, it has realistically meant major change in standards of living for these people, and, as I say, it is based upon a premise that it is necessary, which has not been substantiated by a government whose ancestors basically created the problem. (Time expired)

Ms MARINO (Forrest—Government Whip) (11:30): In life, in business or in government, one of the most difficult things to do is to admit that you have a problem, particularly when you did not create the problem in the first place. Then once you have admitted that you have a problem and have then thought through and planned what you need to do to fix that problem, the second most difficult thing to do is to take that first often tough and confronting step to fixing the problem. This is exactly what Labor when in government and now in opposition have failed to do. They failed to admit they had created a problem and are now failing to be part of the solution. This is why the Australian economy needs strong leadership after six years of failed fiscal Labor policy.

Let's take a look at the legacy of those years of economic failure. The last five years saw cumulative deficits of $191 billion. Uncontrolled and irresponsible spending by Labor saw gross debt blow out to $360 billion and net debt pass $200 billion. This debt left to the
government by Labor will cost us $12 billion in interest—that is, nearly $1 billion a month in interest being borrowed or $33 million a day being borrowed to pay interest or $1.4 million an hour. In fact, for the duration of my short address alone, the interest bill being paid by the Australian government is $347,000. We are borrowing every cent of this. It really does make you think about where the nation was heading.

We were heading, if we were to endure another Labor government after the September election, for even bigger deficits, a projected $123 billion in the next four years. We were also heading for record increases in debt projected to peak at an astounding $667 billion dollars of gross debt. Double the debt and double the interest cost. Labor would be paying that interest, how? By more borrowing—talk about paying off your mortgage with your credit card. Labor was planning to just keep on with reckless uncontrolled spending at unprecedented levels. As the IMF and PBO stated, Labor’s spending trajectory was the highest in the OECD, a 16 per cent increase in government spending. We know that even Iceland, with all of its challenges, has lower spending increases of just six per cent. If debt was allowed to spiral out of control to the levels predicted under more Labor government, it would take generations to pay back, leaving our children and grandchildren to pay back the current Labor legacy of debt. What a legacy to leave. That is what will happen if we in government as the coalition do not take serious action.

The National Commission of Audit identified that, if left unchecked, government expenditure would explode from $409 billion to $700 billion within a decade. If anyone here inherited a private business with this set of books, what would you do? You have just got to look at it as it is and face it. You have no choice but to take action. And the coalition government is doing exactly that. We could have taken the easy Labor way out. We could have just floated along like Labor has for the past six years, literally throw taxpayers’ money around like confetti and spend it without a care in the world.

With Labor members clearly it is one of two things: either they believe that there is no problem with continuous spiralling debt and deficit or—and this is the other Labor option—they are simply taking the easy political popular option of pretending that there is no problem, keeping their heads in the sand like ostriches and simply wishing that the problem would just go away. Perhaps they all share the views of the Labor Treasurer, the member for Lilley, whose response, when asked what he was going to do about the debt limit, was: ‘Well, that will be someone else's problem.’ That is the Labor way: rack up billions in debt and deficit and simply expect the coalition to fix it. After all, they are repeat offenders—remember the 1996 debt and deficits? Once again, we will make the necessary decisions. The Australian people know that we will make those tough decisions. We have done it before and that is what we are doing now.

We are reducing the deficits projected through to 2017-18 by $43.8 billion. We are reducing gross debt from the predicted Labor outcome of $667 billion by nearly $300 billion. This is not easy to do, and this is a tough budget. But we refuse—we simply refuse—to just pass on that debt and burden to the next generations, as Labor is clearly so determined to do. We will make the tough decisions and, as I said, this is what Australians have come to expect from us. They know that when Labor comes to power they can expect uncontrolled spending to be covered by debt, and they know that they will need a coalition government to fix the
problem. This is a continual cycle of government in Australia. Labor repeatedly makes a financial mess and the coalition has to clean it up.

The coalition government has, in the budget, presented a plan for the future, in which everybody has to contribute to balancing the budget. And no-one should doubt our resolve, because, firstly, we did pay back Labor's debt and deficits in 1996, and we also put the nation in a very strong position, and, secondly, we have said we would stop the boats and we are well on the way to delivering this. These are just examples of how we do what we say we will do. It is the same with the carbon tax and the same with the commitments to delivering infrastructure to drive productivity in this country. We know that higher income earners will contribute through a three-year increase in the top marginal rate of tax paid by those earning over $180,000. Parliamentarians and senior public servants will have their wages frozen for a year. And everybody has to take responsibility for Labor's debt crisis, and everybody will have to contribute, because that is what Labor has left us with. Labor has cast everybody in these roles. We have no choice but to share in the cost of their debt and deficit. The public sector will see a reduction in staff in offices and will have to find further efficiencies. Businesses will see cuts to industry assistance programs. As to pensioners, the Labor government was moving to increase the pension access age to 67 by 2023; this will now be extended to 70 by 2035 and pensions will be indexed to CPI. However, pensions will continue to rise twice each year. States and territories will also have to contribute. And of course it is true that blurred lines of authority and action between state and federal departments have caused unnecessary and costly duplication. Having areas of responsibility clearly delineated and funding attributed accordingly is an obvious step towards efficiency in the federation.

But this budget also identifies growth and productivity priorities. This is a key part of the answer to some of our problems. The infrastructure growth package will take the government's transport investment to $50 billion by 2019-20, and, as a result, total infrastructure investment from Commonwealth, state and local governments, as well as the private sector, will build to over $125 billion by 2019-20. Major infrastructure projects in Western Australia such as the Gateway WA, Swan Valley bypass and Great Northern Highway projects are important, but I was particularly pleased to see additional investment in road safety under the Roads to Recovery and Black Spot programs. Increased funding in both of these programs with an additional $550 million in total will contribute to road safety around the nation and will be of great value in the electorate of Forrest.

The government will also create the world's largest medical research endowment fund, the $20 billion Medical Research Future Fund. Contributions will come from a new patient contribution to health services and from other health savings. This endowment fund, when mature, will double current direct medical research funding, with an additional $1 billion a year. How on earth could anyone be opposed to improved health research and health outcomes?

I am also glad to see the government taking the issue of farming and agricultural research seriously. The budget contains $100 million in election commitment to new funding for rural research and development. This is critical for the long-term future of farming and the contribution it can and will make to Australia's economy. It has also allocated $20 million to improve and enhance our biosecurity and quarantine system. This long-overdue investment is one I am particularly proud of, having spoken often in this House on this issue. On top of this,
the budget provides $15 million to help small exporters with their export costs. It also provides $8 million to improve farmers' access to the products they need to grow food for the world.

In another area I have worked on for many years, the government is honouring its election commitment to provide $10 million to enhance online safety for children. This funding will be spread over four years to support the government's policy to enhance online safety for children. The budget provides $2.4 million to establish and operate the office of the children's e-safety commissioner. The commissioner is to take a leadership role in online safety. Having a coordinated and centralised approach to cybersafety is long overdue. It will also provide $100,000 to support Australian based research and information campaigns to online safety.

However, I was especially pleased to see $7.5 million to assist schools to access accredited online safety programs. I am particularly pleased that children's online safety is a priority for this government. I know the risks our young people are facing online only too well. For years I have personally delivered online safety sessions to students in schools, for parents, for community groups and for businesses throughout the Forrest electorate. These number well in excess of 150. This is where I get the information: nothing highlights for me the risks more than listening to our young people talking about the issues they face online. Yes, the internet is the most fabulous tool, and I know they will be using it forever. However, I also know that we need to do more to protect our young people online—

A division having been called in the House of Representatives—

Proceedings suspended from 11:43 to 11:50

Ms MARINO: Recent research from the Australian Communications and Media Authority indicates that around 21 per cent of 14- and 15-year-olds report being cyberbullied. I believe, based on my discussions with young people, that this is an extremely conservative estimate. In my view, this is just those who have reported the bullying, not necessarily all those who have been bullied online.

Many parents and schools feel ill-equipped to respond to the challenges of protecting children from online dangers. The e-safety commissioner will administer the funding of $7.5 million for online safety programs in schools and $100,000 to support Australian based research and information campaigns about online safety. The commissioner will also be responsible for improved coordination of the content and messages provided to Australian children, families, schools and child protection agencies. This is a great outcome for students and parents, and I am very proud to be part of a government that takes cybersafety seriously.

I will finish by saying that one of the greatest concerns I have when I meet these wonderful young people using what is a fabulous tool, the internet—and it will be their highway it will be what they use for the rest of their lives—is the number of young people who will actively admit that they have physically gone to meet people in person that they have only met online. The children who often admit this to me are primary-school age. So the e-safety commissioner in my view is a really important one-stop shop type approach, a central point, in relation to online safety.

In looking at the challenges ahead and the opportunities ahead, yes, this is a very serious and tough budget. But that is what we were elected to do; that is what people in my electorate were saying to me in the run-up to the election and since. They understand very graphically
the serious situation Australia finds itself in. They will not necessarily agree with every single thing we do, but they understand the need to make tough decisions. And that as a government is what we are here to do.

Mr HAYES (Fowler—Chief Opposition Whip) (11:53): I too rise to speak on the Appropriation Bill (No. 1) 2014-2015 and cognate bills. To say this budget is built on broken promises is unfair; that would be quite frankly a gross understatement. This budget was crafted in a sense of fear and panic in the so-called budget emergency.

Before addressing the inherent unfairness in the distribution of pain and punishment inflicted by this budget, I would like to take a look at the true state of the Australian economy. Despite what was said by members opposite, Australia at the moment is one of 10 countries in the OECD that is AAA credit rating. We are AAA rated by the three credible world rating agencies. That is a privilege never before held by this country, and one that we maintain. Our debt to GDP ratio is a tad over 12 per cent. When you compare that to the average debt ratio of the OECD countries, which is 75 per cent, our economy is still buoyant. As a matter of fact, during question time yesterday the Prime Minister conceded that the Australian economy remains strong.

Those opposite keep referring to the budget deficit. But at no stage—whether it be during the Prime Minister’s response, or while the Treasurer was introducing the budget, or when they made their contributions during the appropriations debate—has any of those members dared mention the reason why there was a budget deficit. It is true that it fell to Labor to meet the challenges of stimulating the economy to keep the Australian economy out of recession and create thousands of jobs when much of the world was going through the worst financial crisis in over 60 years. I would remind members opposite of the response by Julie Bishop, who at that time was shadow Treasurer. When met with the recommendations of the Australian Treasury being implemented by the Rudd government, her position on behalf of the opposition was that we should ‘wait and see what happens’ in terms of the world’s economies. If we had done that, we would have lost many, many Australian jobs, with the contraction of many of our industries, and that would have made the recession very difficult to recover from. It would have been the same as the recession that hit most other countries, including the United States, the United Kingdom, most European countries and advanced countries such as Japan and South Korea. Most international economists wrote that Australia deployed the right fiscal stimulation to ensure that our country remained recession-free.

I am very fortunate to represent the most multicultural electorate in the whole country, a community with a lot of colour, a lot of vibrancy and a lot of diversity. But, regrettably, my electorate has significant pockets of disadvantage. The median personal income in my electorate is around $20,000—that, by the way, is what the age pension is at the moment. The median household income in my electorate is just a tad over $55,000. So despite being multicultural and all the things we celebrate in my community, my community is not rich. My community has to work hard to make ends meet. Since this budget was announced I have had the opportunity of speaking with many pensioners, families and young people—the most vulnerable people in our community—who are expected to wear the heavy burden flowing from this budget. Frankly, it is quite clear that life will only get tougher for many of these people.
My constituents will have to rethink whether they visit the doctor because they will now be required to pay $7 per visit and $5 for the medications that they need. The co-payment will cost Western Sydney families alone over $100 million each year. They will probably be the hardest hit region in Australia. Seven dollars means a lot to these people. The Treasurer was insensitive when he explained that this was not a huge impost by comparing it to a couple of middies and saying for the price of a packet of cigarettes people could go to the doctor three times. Given the levels of disadvantage that many of us in this place are working hard to overcome, that insensitivity shows elements of a ruling class bringing down a budget like this. We must not allow the quality of health in Australia to depend on wealth. The equity and affordability of our health system is the envy of the world, and those opposite seem intent on destroying it.

Last week I had the honour of attending the National Seniors Australia meeting in Cabramatta at their Fairfield-Liverpool branch. They had representatives from various areas throughout the region, including their state and federal representatives. The atmosphere at the meeting, I have to say, was tense. Many of the local seniors in attendance expressed fear in not being able to afford the basics of living. They certainly thought that we here in Canberra—putting 'we' collectively—just do not understand the pressures on the elderly. That arose out of a discussion about the change to the indexation rate of the pension.

The purchasing requirements and living requirements of old age pensioners in particular are vastly different than other households. To change the calculation rate from the total average male weekly earnings to the CPI directly impacts on that. If for the last five years pensioners had been calculated on the CPI indexation rate as opposed to the total male average weekly rate, at the moment they would be $1,670 worse off. The government did not just do this because it was a nice neat way of doing a new indexation—just call it the CPI and have consistency across the board—they did it because it saves money. They did it because they calculated out over the estimates that they could save $400 million on this alone. So this is taking money off people who can least afford it and trying to bank that. It is money off people who cannot turn up the next week and say, 'I will work another shift,' or 'I will do a bit of overtime to overcome this.' People living on a $20,000 pension do it tough.

My 85-year-old mum lives with me. I know how often Mum needs to go and visit the doctor because I take her. I know how often I have to go and get medications when medications change and all the rest of it. I know that because I go and get them as well. My mum is lucky; my dad was a police officer so she is on the retired police superannuation. But the vast majority of elderly in my electorate are not superannuants; they are pensioners. They are on $20,000. If the amount of times I have to take my mum to the doctors and all the rest of it had to be paid from a $20,000 pension, it will be a significant impost on people who can least bear it in our community. At the National Seniors conference they said: 'Don’t people get it in Canberra? Don't they see the reality?' The reality being they need to see doctors more often than young fit people. I have got to say they were properly stating the obvious. The way this budget is crafted, the part about the co-payments and doctors, we say, is quite clearly an attempt to destroy the universality of the health system. The way they have done it puts the major impost on people who need the system more than ever.

By the way, I did attend a meeting of local doctors the other day. They were up in arms because they said, 'Canberra is now treating us as another taxation.' These are bulk-billing...
doctors who service a working-class community, pensioners and low-income families. This means that all of them can no longer be bulk-billing doctors. They fear that this is going to exacerbate price adjustments within the medical profession. And they also are very fearful for the patients that they service and care for because they know people will have second thoughts about whether to visit a doctor.

I have also got a lot of families in my electorate. As a matter of fact, I have got 15,500 families on family tax benefit part B. They are going to feel the impost of having family tax benefit B withdrawn when their youngest child turns six. They are on family tax benefit B because, again, they are not wealthy families. By the way, when we are talking families, the vast majority of families in my electorate get that family tax benefit. That is not saying they are welfare dependent; they are low-income families. They need a degree of support.

One of my colleagues happens to be a paediatrician and he made some comments about discouraging people or people thinking twice before taking a child to see a doctor. He said that we are coming into winter, the cold and flu season, and it is not uncommon for a child to be sweaty and have a runny nose, high temperature and a headache. If mum and dad just decide: 'Okay. These things happen, so we won't go,' he said that they are also the same symptoms that would present for a child with meningitis. If that goes untreated, it can have a profoundly high death rate. His position was that we should not be doing anything that discourages families—a price disincentive—from seeing a doctor in cases like that. From a person who spends their life treating children, we are hearing: 'Don't play God and think it is just a high temperature, so go and have a rest.' When it is a child, doctors do not muck around because they know the mortality rate when it comes to meningitis.

This budget tries to force those at the lower end to bear the brunt of the heavy lifting as we have been told by the Prime Minister. I spoke a little while ago in terms of the temporary tax relief measures that are being imposed. The increases are going to be applied to those who, fortunately, might earn over $180,000—you will not find too many people in my electorate affected by that; nor will you find too many people affected in my electorate by the impost on the fringe benefits tax. If you are earning $180,000, it is going to be a two per cent tax increase over three years. Similarly, the fringe benefits tax will go from 47 to 49 per cent over a two-year period. It is not permanent. After that period, it reverts back to what it is today.

What is being imposed on pensioners, low-income families, on people who are unemployed—young people who are on Newstart, those under 25 and those who are out of work now at age 30—are significant but permanent adjustments. Whilst these are incentives to get people working, the other thing this budget does is very cruelly cut the finances for many of those organisations that help people find suitable work. This budget is built on lies. It is built on deception and it affects those in my community harshly.

Mr HOGAN (Page) (12:08): I rise to support this Appropriation Bill (No. 1) 2014-2015 and cognate bills. Governments are about doing what is right; governments aren't always about doing what is popular. This budget bill is certainly about that. We often hear in lots of different areas the word 'sustainability', whether it be environmentally, with food production or using natural resources. Sustainability is an important word—something that we have to look at and acknowledge in relation to everything. What this budget is about and what unfortunately we don't hear a lot about from the other side sometimes is financial sustainability. We need a system that is sustainable. We hear things like: 'We want to help
pensioners', 'We want social welfare programs,' and 'We want spending from government in this area or that area,' and we do. What we need it to be is sustainable. If it is not sustainable, the people who will be hurt the most will be those on pensions and others relying on different welfare mechanisms.

We need our education spending, our defence spending and our health spending all to be sustainable. This budget is about making sure that they are at levels which are sustainable. We have seen many examples in other countries where the spending has been increasing at levels which are not sustainable, and some of those governments are now under great pressure not to have things increase at the levels that they are and also to cut them. We are certainly not doing that.

When you are a government, I suppose you look at two sides of an equation. You look at the expenditure side and say, 'How can we keep our expenditure sustainable?' On the other side, you have tax revenue. Tax revenue has to be sustainable as well, Mr Deputy Speaker, because, whether you like it or not, we are in a globally competitive world. If we have tax levels, especially company and corporate tax levels, that are not competitive, as we have seen, companies will move offshore. We have to keep our tax levels competitive. Therefore, getting the balance right between what we are spending the taxpayers' money on and how we get that taxpayers' money has to be sustainable. It is a very, very delicate balance. I think this budget is getting to that level.

It is very easy for a politician to walk around the countryside promising money and we have certainly seen that in the last six years. It is very easy to do and be everybody's friend—'There's some money for this and there's some money for that'—without being accountable for it. We have heard some previous speakers talk about the absolute level of debt, and they say that it is not a problem. They say that our debt levels are not a problem relative to other countries. Do you know why, Mr Deputy Speaker? It is because for 11 years we were the adults in charge. We had the best set of figures that any Western country in the world had. What did we see in the last five or six years? We saw the fastest growing debt of any Western country in the world. That, unfortunately—and as much as it might make you popular as you walk around throwing the money out—is not sustainable.

The deep debt levels that we are seeing in some of the European countries—and I even include the US in it, too—are getting to the stage where the interest payments are absorbing most of their income tax. We do not want to get to that stage. In terms of our interest bill—and let's go back six years—no interest was paid on the debt by the Commonwealth government because we had none. The previous government, the Howard-Costello government, had also put public money, taxpayers' money, in to fund the unfunded superannuation liabilities of Commonwealth public servants. Again, it was a good measure to make sure that future taxpayers did not have to pay for that.

We now have a level of debt—again, one of the fastest growing debt levels that we have seen in the Western world over the last five or six years, because it is lovely to walk around throwing money out and being popular but not necessarily sensible—where the interest on that debt is $1 billion a month. It is obviously not hard to work out that is $12 billion a year. What would $12 billion a year build? Imagine the schools, the hospitals, the roads and the highways that $12 billion could build a year—a lot. But we know that this year it is going to go in interest. Where this is a problem is that you then pay it again next year. If you keep
running deficits, the interest bill will get higher and higher. With the trajectory that our debt level was on, we would have soon been at levels, when we are talking about $600 billion, where our interest bill would be five or six times what it is currently. That is what we are talking about. We are the friends of people on welfare. We are the friends of the health system. We are the friends of the education system and the people who rely on government money. Do you know why, Mr Deputy Speaker? Because we want the budget to be sustainable. We want it to be at a level where we can always say, 'We have the capacity to do this.' We are seeing other countries rack up big debt levels that are not sustainable and that is when people who rely on those types of measures are in trouble.

Speaking positively for both sides of politics, we have been a country that has been relatively well served by both sides of politics over the last 20 or 30 years. I think that some of the measures of the Hawke-Keating governments were admirable. The Hawke-Keating governments made decisions that were not necessarily popular. They made reformist decisions. Things like tariff reductions were not necessarily popular decisions. They sold off some government assets. They brought in things like HECS for university students. They made decision that were not popular decisions but they were good reformist decisions because they brought things to a sustainable measure.

What did the Liberal-National parties do when the Hawke-Keating governments brought in those reforms? We supported them. We could have been populist. We could have gone out there and said, 'This is terrible for you,' knowing that we might win some votes at the next election for that particular section of the community that may not have liked some particular reformist legislation. I acknowledge John Howard and the leaders of the opposition during that time. If they saw a bill and thought it was good for the country, they supported it, even though they could have been populist and opposed it. That reform obviously continued under the Howard government. We saw the debt repaid that the previous Labor government had left. We saw things like the Future Fund. We saw tax lowered again. This side of politics know that the more money that individuals have, that households have and that business has to invest and spend, the better it is for the economy.

We saw some good reforms from the Hawke-Keating governments, which we supported as an opposition even though we could have been populist. We then had the Howard years when those reforms continued. What has happened since then? Since then, we have had valueless government, the Rudd-Gillard-Rudd governments, which were not good for our country. They certainly were not reformist governments. They were about being popular. They were run by opinion polls. They were run by what they thought would win them votes not what is right nor what is sustainable. Now we have a difficult decision. We have a populist opposition with no values. It would be the good for the country if we saw the next Hawke or Keating on the other side of politics, but they don't seem to be there. Those opposite do not seem to have a values driven or a principled politician on their side. They are simply populist.

If they do not support this budget, what is the solution that they are offering? If they do not want to get the budget back to a sustainable level, what do they want? They just want to run up the debt. Let's just keep spending money and let's keep running up the debt then interest payments will obviously go up and up. When the interest payments of $12 billion a year grow three, four or five times, which was the projection for the debt levels, what services would they cut? What services are they going to cut in five or six years time? That is what I want to
know. What services are they going to cut when we cannot afford them? When our interest bill goes from $12 billion to $40 billion, $50 billion or $60 billion, besides just being populist, the other side of politics need to tell us what services or what programs they would cut when the debt gets to that level. Again, this is about doing what is right, not what is popular.

I congratulate the Treasurer on this bill. I think that this has been a well-considered bill, with everyone across the board putting in their fair share. It is about sustainability. When I think about this bill I think simply about sustainability. That is the theme that I think this is about. This is about us being on a sustainable footing and the government of our country being able to afford to pay their bills over the next number of years.

It could sound as if we are not spending at all, but actually the government is still spending an enormous amount of money. In fact, we will be spending more money this year than we were last year. We will be spending more money in health and education, and more across a whole lot of fields—as we should.

The other element of this budget that I just want to note in closing is the massive spend on infrastructure. A lot of new infrastructure projects have been put into this. There is a $40 billion to $50 billion infrastructure spend planned for the next number of years. This is about us again becoming a more efficient and productive country. This is about us being able to produce goods and services and move them around the countryside, and money not being spent or lost with things being stopped on highways and stuff.

Just in my electorate, we have the continued duplication of the Pacific Highway. Again, the previous federal government wanted to lower federal funding on that from 80 per cent to 50 per cent. We said that we would maintain the funding of that highway at 80 per cent, and there will be well over $5 billion spent by the federal government on that over the next few years.

There will be increased spending again in rural and regional communities. We understand the importance of roads. We understand the importance of being able to get your product around. We are going to increase the funding for Roads to Recovery to local councils. We have a Black Spot program that is also going to have increased money.

Also, for two LGAs in my area, the bridge renewal program will be very important. In the Kyogle Council area and the Clarence Valley Council area in my electorate there are enormous numbers of old wooden bridges. They can cost anywhere up to $1 million to repair. Often cattle trucks and other produce-type transport goes over those bridges. They need to be maintained and repaired. This is a new program. It does not exist right now. We are going to go 50-50 with them. That is another exciting program.

So we do want this budget to be sustainable—we do want the federal government to be able to afford to continue to pay its bills because we want people who rely on that to be guaranteed that they will get it. But, besides that, this budget also has some great projects in it, like the ones I have just mentioned, to increase the value of and spending on infrastructure programs around the country, especially in rural and regional communities like mine. That is very important and will add, as this budget does, to economic growth, to jobs growth and to the continued growth of this country.

Mr BANDT (Melbourne) (12:23): This speech about the budget bills is inspired by the millions of people angry at a budget that threatens this country's way of life. Amongst them,
there are many who always feared that this budget was exactly what Tony Abbott would do if he ever got his hands on the reins of power. But there are also many who never expected that an Australian government would charge sick people more to see a doctor while Gina Rinehart gets taxpayer-subsidised fuel. There are people who never imagined that a government would give away billions in tax breaks to the wealthy while forcing people under 30 to live without any income at all because the government had taken it away. There are many who believed that, although it was under pressure, the compact underlying our society—which says that if you are young or old, if you get sick or you fall on hard times, we will look after you—would endure. There were probably even those people who were just so sick of Labor infighting that they voted for Tony Abbott just for the sake of any alternative. There are also those who believed Tony Abbott when he said that there would be no cuts to health, education or pensions.

Wherever people came from, one thing is now crystal clear: whoever people voted for last time, no-one voted for this budget. Tony Abbott has sucker-punched the Australian people. He said whatever he had to to get into office and then turned around and delivered to this country's one per cent. He is doing the bidding of people who think it is okay to take away the income of a job seeker under 30 and force them onto the street but who will squeal like stuck pigs if you suggest taking away their $11 billion in fossil fuel subsidies and making them pay the same for petrol as everyone else in this country. Tony Abbott has delivered for the people who believe it is fine—

The DEPUTY SPEAKER (Mr Whiteley): Order! I ask the honourable member to refer to members by their proper title.

Mr BANDT: The Prime Minister Tony Abbott has delivered for the people who think it is fine to raise the GST or cut the pension but who howl with outrage when the Greens suggest a tax on the big banks or the big polluters that would raise the billions we desperately need to fund the services expected in a decent society. We could balance the budget by asking the big miners, the big banks or the big polluters to pay a bit more, but instead the Prime Minister has savagely rounded on the rest of us. It takes guts to stand up to the wealthy and raise the revenue to fund a caring society, but a coward takes the axe to the young, the sick and the poor. This Prime Minister is a clear and present danger to the Australian way of life. We do not have a budget emergency; we have a government emergency.

I first got involved in politics when I was at uni. My dad was the first person in his immediate family to go to university, and his dad before him spent his life working in the post office. My dad went to uni because he could afford it, and my mum and my dad ensured that I got a good education. But it was when the then Labor government started hiking education fees that I got active in politics because I could see that it was going to get to a point where people like my dad would never be able to go to university. I now see thousands like me taking to the streets regularly to demand that everyone in this country has the right to go to university no matter what their background.

I also know that education is vital for our democracy because when everyone can learn, regardless of their wealth, our country is stronger for it. But when education is the privilege of a wealthy few they will govern for those wealthy few. Now that they themselves have had the benefit of free education, the Prime Minister and his associates are pulling up the ladder behind them, turning around and saying a big 'stuff you' to everyone else in the country.
This budget will ruin gen Y and all who come after them. People already face the triple burden of global warming, insecure work and unaffordable housing. But now the divide between the haves and the have-nots and the secure and the insecure is going to become permanent. TAFE or uni will leave you with a debt the size of a small mortgage. Youth unemployment in Melbourne at the moment is 14 per cent, and in Ballarat it is 26 per cent. If you are lucky enough to find a job after having been forced to endure poverty, imagine what kind of workplace and appalling wages and conditions people will be expected to put up with, knowing that if they speak up and get sacked or leave they will go months with no income at all. This is not the kind of country we want.

The Prime Minister has no mandate to create an underclass in this country, and we must now force him to submit his poisonous recipe for a divided country to the judgement of the Australian people. When it comes to attacking young people, lifting university fees or dismantling Medicare, the Greens commit to blocking these budget bills. The Greens relish the chance to remove the Prime Minister before the end of this year. But we cannot do that by ourselves. We need an alliance for a new election. These bastards cannot be kept honest, but they can be kicked out. If the Greens, Labor and the Palmer party accept our significant differences but agree to work together, we can block this budget and have Tony Abbott out of office by Christmas. If the other parties are up for it, we can try to make it happen.

I want Clive Palmer's coal business to stop and for fossil fuels to stay in the ground. I want Labor to stop punishing refugees and adopting the Prime Minister's appalling climate pollution targets. These differences will persist, and I will not give up until this country is grounded on sustainability, compassion and equality. What I also know is that Australia has a chance to become a country we can be proud of if we kick the Prime Minister out first.

I also know that Australia only has a chance to become a country we can be proud of if first we kick out the current Prime Minister. We need an alliance for a new election. We must all agree to block this budget and try to force the Prime Minister to a new election this year. If this budget is passed, Australia may be irreparably damaged and the people know it. Right around this land we are witnessing the people of Australia starting to reclaim their country.

We hear talk from the government that we have to take these measures because there is an emergency because we no longer have the revenue we need to fund the services Australians expect. One answer to that could be to increase our revenue. We could start by keeping the price on carbon. The carbon tax brought in $6.6 billion, which this government now wants to take away. The $6.6 billion currently being paid by the big polluters will, if this government gets its way, have to be paid by people every time they go to see a doctor. We could keep the mining tax. We could get rid of the $11 billion in subsidies going to the likes of Gina Rinehart and, instead, keep education affordable for everyone.

As we have seen today, if this budget is allowed to pass and the Prime Minister prevails, we will be going back to the Dark Ages. We have already seen CSIRO face massive cuts and plans to shed over 700 jobs and closing down entire sections of research. Astronomy and astrophysics now face an uncertain future. One crucial area which could have provided energy security and job security for people in the Latrobe Valley, geothermal energy, is being axed completely. Never mind: there is always enough money left for coal seam gas and for unconventional fuels, but when it comes to a potential, renewable power source, where the hot energy from under the earth could power our lights and warm our buildings, no, we
cannot find money for that. We will take the axe to CSIRO. Potentially we have forgone the next wi-fi or the next flu vaccine because of this government's short-sightedness. It turns out that knights and dames were not just a distraction; they were actually a real vision of the medieval, antiscience society this Prime Minister has for the country.

We are about to have a situation where someone who has very little money will think twice about getting the lump on their leg checked out because they might not be able to afford the doctor, where people will think twice about taking their family or their kids to the doctor because they know that each time they will have to pay a fee and, if the doctor sends you off for a test, you are going to another fee, and if there is a prescription, you will have to pay a fee on that as well. Multiply that by your number of family members and it starts to add up.

Why is it okay to have a debate and say that maybe we need to raise the GST or maybe we need to raise doctors' fees for the bulk of the population but we cannot have a debate about asking the big banks, the big miners or the big polluters to pay just a little more? If we had to take this budget to an election and ask the Australian people, 'What do you think is a fairer way to balance the budget, asking Gina Rinehart and the big banks to chip in or taking the axe to the sick, the young and the poor?' I know what the people would say.

We are seeing the government's short-sighted agenda writ large when it comes to the question of funding roads. In this context there has been debate about a proposed increase in the petrol excise. If it helps cut pollution, then lifting the relative cost of fossil fuels can make sense. If it helps the shift to cheaper, quicker and cleaner transport by trains, trams and buses, then indexing petrol excise can make sense. However, making petrol cost more just so the government can build more roads makes absolutely no sense at all. The Liberals should not assume we will help their road-obsessed agenda. This Liberal government is giving $3 billion to a polluting east-west tollway that will wreck inner-city Melbourne and has no business case but then cuts federal funding to public transport. Building more roads to cure congestion is like loosening the belt to cure obesity—it will not work. Lifting the excise on petrol to fund public transport is one thing but using it to build more polluting roads makes no sense. We will be looking very closely at the government's petrol tax legislation. Around the country one thing that cannot be denied is that in response to a government that is attacking the young, the sick and the poor, people are rising up to say, 'Not on my watch.' Angry at a budget that continues the handouts for the big miners, big banks and big polluters, people are defending the common wealth of Australia.

The millions in this country want a society based on compassion, sustainability and equality. We want Australia to be a place where everyone can get to a doctor or a hospital when they need it and a place where, if you do find yourself sick, the first thing that the paramedics and the doctors check is not your credit card but your Medicare card. We want Australia to be a place where people can live with dignity after they have contributed, not be forced to work until they drop and then eek out a grim existence in poverty. And we want Australia running on renewable energy, not polluting fossil fuels. We want Australia to be a place where people under 30 are not kicked out onto the street by their landlords because the government has taken away their income. We want an Australia where people who are already under pressure because of unaffordable housing and insecure work are not left on their own. We know that if we leave people on their own and throw them to the wolves, life will just get harder.
To everyone who stands with us, I say that you are the defenders of the true heart of this country, not this government but you, the people. You are the defenders of the spirit of care, of looking after each other and you are looking after the Australia that binds us together. You are the real protectors of what is good about Australia. What people are doing in the streets and around the kitchen table in their homes right now is vital and could change the course of history. The Greens stand right beside you and we will be your voice in parliament. If we work together and defend not the privileged but the common wealth of Australia, we can bust this budget.

I conclude by reminding people that last year the Prime Minister, Tony Abbott, came to Melbourne and said: ‘These Greens are having too much influence in parliament. So I am going to make a captain's call and say I would much rather there be Labor people in parliament and I am going to direct you to put the Greens last.' He said that because on the things that mattered when it came to standing up for a caring society and for raising the revenue Australians need to fund the services they expect, he knew that the Greens would fight him tooth and nail. And so it will be with this budget. We will be the real opposition to this government's cruel and heartless agenda that will make Australia a meaner place. I say to the Prime Minister, Tony Abbott, if you want to come and make a captain's call and say, 'put the Greens last'; well, game on, Captain. We are up for this and we would relish nothing more than to force you to take your poisonous recipe for a divided society to the judgement of the Australian people and we cannot wait until there is a change of Prime Minister.

Ms LANDRY (Capricornia) (12:38): I want you to have a listen to this report:

A witness to a fatal collision that claimed the life of a Mackay truck driver has described a blazing inferno and screams at the scene of the horrific crash.

This is an extract from the Daily Mercury after a semitrailer and a fuel tanker collided on the Peak Downs Highway. The Peak Downs Highway is the main inland route from the coast to central Queensland's coalmining belt in the northern part of my electorate of Capricornia. The fuel tanker erupted and sprayed fuel over the other truck, which caught fire. One person was tragically killed. The fuel tanker rolled into another vehicle towing a horse float. Two people in the vehicle were airlifted to hospital with burns, and a horse from that float also died.

Unfortunately, accidents like this happen all too often on the Peak Downs Highway. That is why I am pleased to inform you that the Abbott government budget will provide measures to help make the Peak Downs Highway safer. We have committed $120 million to fix up the Eaton Range on the highway. As the coalition gets on with the job to develop a stronger regional economy in Capricornia, last week I attended a road transport forum in Mackay with BP, Caltex and Shell and up to 200 fuel tanker drivers who deliver fuel to the inland mines of Central Queensland and they were pleased to hear the news.

People should never underestimate the importance of spending money on roads in regional Australia. Our highways are the arterial veins extending from the cities and from shipping facilities to inland mining and agricultural areas which are the heart of our regional economies. That is why it is significant to our nation that the Abbott government's first budget will invest up to $50 billion across Australia over seven years to deliver vital transport infrastructure for the 21st century. I am pleased that fixing up the Bruce Highway along the Queensland coast from Brisbane to Cairns forms part of this plan. The highway runs directly through my electorate, and people in Capricornia will benefit from a $320 million safety
package for the Bruce Highway, including $110 million of federal money for more overtaking
lanes and continuing progress on upgrading the Yeppoon flood plain at the gateway to
Rockhampton City. We are spending $296 million on stage 2, and 80 per cent of this project
is being paid for by the Abbott coalition government. This is very significant for Queensland
because the nation's heavy transport fleets delivering goods up and down the state will be able
to get to Rockhampton when floodwaters are up and keep the economy rolling.

These projects create safer highways, lead to construction jobs and more efficient transport
times, and will serve to significantly boost the Capricornia economy. In fact, this entire
budget is like getting the family car back on the road. All Labor did was drive Australia hard
until its tyres were bald. We inherited an economy that was akin to a broken-down car. You
have already heard that, if the coalition took no action in this budget, Labor's projected debt
would hit $667 billion. Every month, Australians are paying $1 billion in interest on Labor's
debt alone. In Capricornia we could build the equivalent of four Bruce Highway Yeppoon
class upgrades per month with money like that. Labor's debt equates to $25,000 per
person, or $100,000 per family of four. But just changing the cars tyres will not fix it. Without
an engine overhaul, some oil and a new battery, Australia cannot move forward on a
sustainable journey—and that is what this budget aims to achieve. If we do not get the
economy tuned up, in five years time we will be having a conversation about which hospital
close, which schools to shut down and which nursing homes to close because the nation
cannot afford to live with Labor's debt.

I understand that some people are doing it tough. At one point in my life I had a marriage
break-up and found myself a single parent; things were not easy. During this time my five
year-old daughter had to have open heart surgery to save her life, so I know about stress and
how this adds to pressures on the household finances when your young daughter's life is at
risk. I know what it is like not having enough money to pay the rent and having to decide
which bill to pay this week while facing enormous family medical decisions. So despite the
criticism, verbal intimidation, threatening emails, yelling and abuse from Labor, there are
people on this side who know what it is like to do things tough.

The issue here is that Labor has offered no solutions to fix their mess. Despite the
misinformation Labor spreads about this budget, there are families with young people who are
100 per cent behind the Abbott government. Here is what one mother in my electorate, Sarah,
told me:

Michelle, just wanted to say I support the new budget that the coalition has given Australia. I can
definitely see why we need to do this, and I am willing to make small sacrifices for my daughter's
generation as they will be the ones who will benefit from this in the long run. It is great to see a party
that actually wants to help Australia get rid of debt and not put us in more debt. I fear for Australia
though and feel that Labor may get in again if another election is held and then spend all that money
again. Make sure you shake Tony Abbott and Joe Hockey's hand for me because you have my support.
And here is some more feedback. June is a lady in her 80s and her husband is in his 90s. June
phoned my office to support the federal government. She wanted the state Premier to
remember that it was the Labor Party that created the financial mess Australia now finds itself
in.

There is much good news in this budget that will continue to help people like June and her
husband in the future. This budget has delivered on its promise to provide $300,000 to Meals
on Wheels to help provide a new kitchen facility in North Rockhampton. Up to 1,000 meals are provided to mostly frail, aged clients and people recovering from hospital stays in the Rockhampton area each week.

In this budget the Australian government has also recognised the significance of Capricornia's beef cattle industry by providing $2.5 million to stage Beef Australia 2015. The event is a significant boost to Capricornia's small business sector, including the motel and hospitality, tourism, communication and livestock industries. Beef Australia showcases the industry to the world and attracts more than 85,000 people from 26 countries. By providing funding, the coalition government is delivering on a key election commitment, which in turn helps to build a stronger rural and regional economy.

What did Labor do for our beef sector? Oh, yes. You might recall that Labor snuck in one night and axed Australia's live export trade. Families, small business and farmers are still feeling the impact of that decision, years on. I say to the Labor Party: if you want proof of what it is like to be a battler, then talk to a farmer. I directly ask the Leader of the Opposition: do you know what it's like to have to shoot a breeding cow because the drought is so bad it would be inhumane to let them suffer? The psychological trauma of being forced to do that, while facing grim financial pressures, is immense on rural families. But the Labor Party does not recognise these people as so-called battlers. Do you know what it is like to be a farmer and to walk out into a putrid, black bog on a dam in the drought to rescue livestock? Weak sheep get stuck in tar-like mud, as they struggle to reach the only bit of water left. In the sky the crows circle waiting to descend. They begin firstly by pecking the distressed animal's eyes out. These people return home from this devastating scene to face the growing bills and calls from the bank threatening foreclosure. These are battlers too. But Labor does not care. This government does care. That is why this budget delivers on our promise to provide some of the $320 million in drought assistance, as announced by the Prime Minister earlier this year. The National Farmers Federation says the Abbott coalition government has largely delivered on its election commitments to the agriculture sector.

The coalition government will also axe the carbon tax. This will save households, including pensioners, on average $550 a year in energy costs. And local Capricornian industries will save millions of dollars that could otherwise be diverted to other parts of their business that could create more jobs. If Labor really are serious about helping families, I challenge them now to vote to end the carbon tax immediately. Teys meatworks is one of Rockhampton's largest employers, providing jobs to more than 1,000 people. This is what the company said when it wrote to me:

We maintain our support of the Government's commitment to remove the carbon tax. The cost imposed on our Rockhampton facility in the first year of Carbon Pricing included a direct liability charge of over $900,000, in addition to an approximate $270,000 increase in the price of utilities.

This Rockhampton facility will save over $1.2 million when Labor's carbon tax is axed.

I want to tell you about a visit I undertook last week to the Ted Malone Rural Skills Centre in Sarina. The centre has links to Sarina State High School and gives young people who may otherwise have dropped out of education the opportunity to undertake certificate II in agricultural practices. These young people learn a diverse cross-section of skills from aquaculture to permaculture, livestock and egg production and metal fabrication. I met delightful students like Jaylen, Alex, Jade, Lindsay, Minka, Erica and Emily. It was a pleasure
to visit them and meet their manager, Bob North. Thanks to the Abbott government's budget, if these students successfully complete their studies here, they have the opportunity to access assistance if they make the transition into trade and training fields, including apprenticeships, down the track.

The government's new Trade Support Loans will take effect for apprentices from 1 July. These loans will encourage more young people to take up a trade and complete their qualification. Loans of $20,000 over four years will ease the financial burden and help increase apprenticeship completion rates. For the first time ever, the Commonwealth will also provide direct financial support to all students studying higher education diplomas, advanced diplomas and associate degree courses.

In my maiden speech last year, I undertook to highlight the diversity of Capricornia, and I am accomplishing this. Aside from our important beef and sugar and mining sectors, Capricornia offers many more niche industries. We have highlighted the local pineapple industry, which satisfies 45 per cent of the nation's appetite for fresh pines. I took Agriculture Minister Barnaby Joyce to a hydroponic lettuce farm near Emu Park run by the Wilson family. This small family operation supplies gourmet lettuces to Coles, Woolworths and IGA.

CQ University has trials underway near Rockhampton into dryland rice crops for northern Australia. Fresh, chemical-free garlic is even grown around Eungella, in the northern part of my electorate. My recent Facebook post about this attracted nearly 4,000 views.

Enterprises like this need a strong regional economy and good transport infrastructure to aid their growth and development. The key goal of this budget is to fix Labor's budget mess and get on with the job of developing a stronger economy, because, when we strengthen the economy, small businesses succeed, families have less pressure on them and jobs are created.

Sitting suspended from 12:50 to 16:00

Mr KATTER (Kennedy) (16:01): I asked a question in the House on the day of the budget. Household electricity prices over nine years of corporatisation have soared from $860 to $2,100. Petrol prices following the refusal to mandate ethanol soared 50 per cent above prices in Brazil and America. The price for petrol at the bowser in the United States as we talk today is 105c a litre. It is 95c in Brazil and 149c in Australia. And, whilst it has the world's cheapest land, Australia pays the world's highest housing prices.

The answers here are very clear. Let me be very specific and give a very specific example. If you lift the speed limits from Caboolture, north of Brisbane, back to Brisbane to 125 kilometres an hour and extend the highway at five kilometres a year back to Woodford, then you can bring in 200,000 blocks of land, with two acres for each block of land. You do not require curbing, channelling, sewerage, stormwater drainage or any of those cost add-ons. Simply the delivery of electricity, water and median-strip bitumen would provide all of those blocks of land for some $50,000 to $60,000 a block, versus some $200,000 a block at the present moment for quarter-acre allotments in Brisbane. And you would still get to work in some 30 minutes, which is a hell of a lot shorter time than most people take to get to work now, with very little outlay.

The Queensland government have gone in the exact opposite direction. They have released the zoning areas which you can subdivide. I do not know the hide that they have got. Somehow in Australia we have come to the conclusion that the Crown owns all the land.
Well, the Crown does not own the land; the people own the land. I always recommend very strongly that people go and see the Russell Crowe movie *Robin Hood*, because it is the lead-up to the Magna Carta. If you read the Magna Carta, there are three clauses that very distinctly say, 'No, Mr King, you do not own the land; we the people own the land.' If we choose to subdivide it into 200 blocks, that is our right, and you have no right to stop us. But of course your interference has driven the price of land and housing to the highest price in the world. The country with the cheapest land on earth—about $80 a hectare is the average price of land in Australia—has the highest priced house and land packages in the world. Houses are very cheap actually; it is the land that costs the money. Malcolm Turnbull, no less, presented an excellent paper on this fact some years ago.

Farm incomes are falling disastrously while food prices rise and rise. Australian farmers are paid far less than any other farmers in the world—they receive 40 per cent less than the average price throughout the world—yet our food prices are moderately high; we are in the medium-high range for food prices.

Can the Treasurer explain why these real issues will not be addressed in the budget? The budget has passed and I can say now that none of these items have been addressed. Under corporatisation—which is sort of like half-privatisation—electricity prices for the average household have soared from $860 to $2100; so what full privatisation will do to electricity prices I will leave to your imagination. On that basis, within the next four or five years we will be looking at paying $4,000 or $5,000 per year for electricity. I do not know how a retired couple will get on having to pay that amount of money when their income is around $20,000 a year. If you add up their insurance, which is about $3,000 a home in North Queensland, their rates, which are $2,000 or $3,000 and their electricity costs, which are $2,000 or $3,000, I do not know how they are going to eat.

But the main costs of living are none of those things actually; they are housing, health, food and petrol. This budget, by putting up the price of petrol, will increase the cost of food very significantly. With the $7 you will now have to pay when you go to the doctor and the $5 you have to pay at the pharmacy, health prices will dramatically rise. As for the cost of housing, there is nothing in this budget that addresses that. And petrol, of course, is going to rise significantly. These are four of the most expensive items that any household has to face, and all of them are going to rise.

In government we act collectively; by acting collectively we can achieve truly wondrous results that we would not be able to achieve individually. The Prime Minister told us that this was the greatest infrastructure budget in Australian history, with $10,000 million for infrastructure. Well, I suppose it is about how you define infrastructure. When we were in government in Queensland in the eighties, what we meant when we used the word 'infrastructure' was that we were going to put in another railway line and another port and create 2,000 mining jobs. When the federal government uses the word 'infrastructure'—and I would like to think I was the first one to use the term 'tunnel vision', but I noticed a very prominent economist using the term last week; maybe he dreamt it up himself—what we have is tunnel vision. Clearly Queensland is the greatest example of tunnel vision. The Queensland government is supposed to be bankrupt—it sacked 15,000 public servants because the ALP bankrupted Queensland—but it has been able to pluck $5,000 million out of the air to build yet another tunnel, which will bring the total length of tunnels in Brisbane to 23 kilometres.
Brisbane has about 1.2 or 1.3 million people; Sydney has over five million people and has only 14 kilometres of tunnels. So, when I say 'tunnel vision', you cannot see beyond getting to work and getting home from work five minutes earlier to watch the television—that is your idea of infrastructure and development for your country!

Let me paint the picture that the KAP, the political party to which I belong, sees as the future of Queensland. What should have been in this budget was not the taxing of ethanol but the introduction and mandating of ethanol. I have said continuously that the only country on earth now that does not have ethanol in its petrol tanks is Australia.

The reason that people introduced it is to save lives. To quote no less a person than Morris Iemma, the former Premier of New South Wales, 'I can't go another day with the deaths on my hands of people who simply don't have to die.' And, to quote the President of the Australian Medical Association, 'More people die from motor vehicle emissions than from motor vehicle accidents.'

The minute that that landmark report came out in California, the Americans immediately moved to pass an act on air quality, introducing oxygenation of their petrol—in other words, introducing ethanol into their petrol tanks. Take Brazil—60 Minutes did a report on Sao Paulo. Sao Paulo is the cleanest city in the world. It has 23 million people—more people than live in Australia—and it is the cleanest city in the world, because they are on 60 per cent ethanol. It appears to me, on the latest figures I have seen from America, that they are on 20 per cent ethanol. By law, every single European will be on 15 per cent ethanol. So all of the Americas, all of Europe, all of Asia—and China has just announced 15 per cent ethanol—and India, the Philippines and Indonesia are on ethanol.

So why is Australia not on ethanol? It is because our governments are owned by the oil companies, of course. Whilst that sounds cliched and as if it might be old leftist rhetoric, it is simply a truism. How else can you explain that, outside of Africa and, of course, the oil-producing countries, the only country on earth that is not on ethanol is us? This government has decided that it is better to send $23,000 million a year to the Middle Eastern oil producers than to send it into rural and regional Australia. Nine years ago this country was self-sufficient in oil, but, according to the NRMA report done by the air vice-marshal, there will be no petrol produced in Australia at all within three or four years. The refineries are closing.

Our little tiny party might be very, very small, but we do have one thing to offer: a big vision for our country. What we say to you is: put the ethanol in and your country will be $23,000 million a year richer. Instead of putting in a tunnel and building overpasses and superhighways in our cities to give you five minutes of extra television time, you should build a railway line, as we did in Queensland, into the Galilee Basin, and provide 50,000 jobs for
150 years. That is development. That is infrastructure. It is not about building some overpass or flyover, whirligig or tunnel in Australia's major cities.

I come from the bush of Australia. We understand that you can spend money extending the homestead and putting in air-conditioning or you can spend the money on putting water into the far paddock. What we have decided to do is to spend it on ourselves and have a nice flash homestead. In the meantime, the far paddock has no cattle in it because there is no water there.

The Galilee Basin provides $12,000 million a year in income for this country. Ethanol can provide $23,000 million a year in income for this country. If the Queensland state government would have got in and agreed to the ALP government's $320 million offer—the ALP government in Queensland rejected it; so it was bipartisan in its rejection—we would have $10,000 million a year coming out of the North West Queensland Mineral Province. We have no electricity, so we cannot open up those mines. Here is the great vision that will provide hundreds of thousands of jobs for Australia—a rich and prosperous country. Instead of that, we are out there buying votes. We are spending the people's money on buying votes so that we can get re-elected at the next election while our country continues to lose its manufacturing base, its motor vehicle base and its agricultural base. (Time expired)

**Ms PRICE** (Durack) (16:16): I rise today to speak on Appropriation Bill (No. 1) 2014-15 and cognate bills. These are significant bills that will set the foundation for Australia's future prosperity and will ensure this government has the ability to govern effectively and efficiently. Simply put, this is about money and the financial workings of government. This is about creating stability for Australians not just now as a short-term measure but for all future generations. Australia simply cannot afford to continue the atrocious legacy that was left behind by the former government—a legacy of waste and a legacy of cash-grab policies that were not only ineffective but hurt the hip-pocket of every Australian, their businesses and our major industries, including mining, agriculture and manufacturing.

This waste left every Australian with five record deficits and $123 billion as a future deficit—a deficit that at the election in September this government committed to fix, and through these appropriation bills it will do what it said it would do and deliver on those commitments. Last September, the Australian people made a choice—a choice to elect a government that stands up for each and every individual, our businesses and our industries and is a responsible government which will get our country back on track. If we took no action, debt would have hit $667 billion. That is why these bills are so important throughout Australia, but in particular for my electorate of Durack. Durack is the largest electorate in Australia; so, needless to say, I am very focused on securing a prosperous Australia for my constituents and on fighting for the key issues that affect them.

Regional health, in particular, has been a key focus of mine since being elected in September and it is something that I will continue to strive to improve. Regional health should be a concern for all those who sit in this place, if we want every Australian to have equal opportunity and access to these services. This government is one that lives in reality—a reality where no-one in this place or outside it is immortal. That is why, despite the type of access or level of service provision, every Australian will require access to medical services—and, as we know, some more than others.
This need for medical services will only continue to increase with Australia being faced with an ageing population, with 23 per cent of the population being predicted to be 65 and over by 2050. This will continue to place greater pressure on our welfare system and our health system. Strategic decisions have been made in each of these portfolios to ensure that Australians continue to have access to these much needed services but are not completely reliant on government support—to do so would be completely unsustainable and irresponsible.

To put it in perspective, by 2050 the number of people paying tax to support the payment of old-age pensions will be almost halved. Between 2010 and 2050, the number of people aged 65 to 84 will more than double and those aged 85 and over will more than quadruple. In Durack specifically, this ageing population is of particular concern with over 25 per cent of the electorate's population being over the age of 50 according to the ABS 2011 census data. Given these pressures, government spending on many health programs will only continue to grow at an unsustainable rate unless fundamental changes are made and they are made now. That is why this government is committed to health and to ensuring that we can meet the growing demand for health care in the future.

We simply cannot rely on revenue from the Medicare levy and Medicare levy surcharge to offset the increase in cost to health care, particularly when the combined revenue from these sources is less than 20 per cent of total Commonwealth health spending. Health is a key area of spending growth with 4.1 per cent of GDP currently being spent within this portfolio. I am pleased to say that, despite this government's need to cut unnecessary spending and cut red tape that was implemented by the former government, regional health remains a key focus for the Minister for Health and for our Prime Minister. That is why, despite the Labor Party's false claims that the budget is cutting funding for health, overall health spending will in fact increase by more than $10 billion over the next four years through the implementation of this government's budget measures. It is because this government understands the health needs of Australians and wants to ensure that we are best placed to improve health services that a key budget measure from this government was the establishment of a $20 billion medical research future fund to find the cures of the future.

By making the health system more sustainable and by investing in medical research we are ensuring that Australia remains the best and healthiest place in the world to raise a family and to care for our loved ones. On top of this, the government has also committed to increasing annual federal assistance to the states for public hospitals by more than nine per cent every year for the next three years and by more than six per cent in the fourth year. That is a 40 per cent increase over the next four years, or more than a $5-billion-a-year increase in spending on hospitals.

Over three years, $13.4 million will also fund an additional 500 nursing and allied health scholarships with a value of up to $30,000 each. These will target workforce shortages in rural and remote areas. In addition, a very important regional service which has received a significant funding commitment of an additional $6 million in the budget is the Royal Flying Doctor Service. This is a key service that delivers extensive primary health care and 24-hour emergency services across the Durack electorate and to the furthest corners of Australia's rural and remote regions.
This health service delivery will go hand in hand with an additional $35.4 million over two years for the General Practice Rural Incentives Program, which provides incentives for medical practitioners to work in under serviced rural, regional and remote areas. Regional areas are continually faced with a shortage of medical practitioners with newly graduated GPs often conducting their internships in regional areas but leaving once their placements have concluded. I welcome this government's funding commitment to not only provide an incentive for medical practitioners to work in regional and remote areas but keep them there as well as its focus on improving the lives of Australians who live in these areas through the provision of this funding and other related funding measures.

Over the years we have seen significant increases to the level of services being provided in regional and remote areas in Western Australia. If we look back 10 to 15 years, medical practitioners in towns such as Port Hedland in my electorate of Durack only had access to basic services such as X-rays, with more sophisticated examinations requiring patients to travel to Perth. This is despite the town having a well-established hospital with permanent medical practitioners. Fortunately, funding such as this has allowed medical treatments to progress with a substantial increase in the number of doctors based in regional and remote areas, including specialists and the growth of corporate medical clinics.

One significant development particularly for Durack's Aboriginal communities is the provision of local dialysis services for those suffering from kidney disease. The delivery of this service is particularly important to Durack, with the electorate having the third-highest proportion of Indigenous residents, or some 16.3 per cent. In fact, I recently welcomed more than $56 million in new Commonwealth funding for health services across regional Western Australia. The funding was part of the Bringing Renal Dialysis and Support Services Closer to Home project and will see expanded and new health services in Geraldton, Carnarvon, Port Hedland, Roebourne, Broome, Kununurra, Derby and Fitzroy Crossing. This includes new 20-bed hostels in Broome, Fitzroy Crossing and Derby, while an eight-bed hostel will be established in Kununurra. Renal patient accommodation will also be provided at all four sites. In addition, we will also provide four much-needed renal dialysis chairs to be installed at Fitzroy Crossing and Roebourne. A five-bed hostel will be built in Carnarvon, which will also get renal patient accommodation, while clinical offices for regional support teams will be built in Geraldton and Port Hedland.

To encourage healthy living among Aboriginals from a young age, this government has also committed $13 million over the next four years to establish an additional 3,000 places for Indigenous students to take part in the Clontarf Foundation's sports academy program. The Clontarf Foundation has contributed much to the growth and development of Indigenous students across the Durack electorate through education, health and lifestyle initiatives. Clontarf's vehicle for achieving this is Australian rules and rugby league, and I note that basketball is included in that suite of sports now. It uses these sports not only to attract young Aboriginal boys and girls to school but to keep them there as well. The foundation has continued to grow since it opened its first academy for 25 boys on the campus of the Clontarf Aboriginal College in Perth, Western Australia, in 2000. In 2012 alone, the foundation opened nine new academies, including one in Fitzroy Crossing, which is in my electorate of Durack. There are also eight other Clontarf academies in Durack.
This government's commitment to regional health is also extended to key funding for aged-care services through a 10-year, aged-care reform package. These reforms are aimed at offering choice and flexibility for older people living in the community and residential care, which will give consumers more choice, easier access and better care. A key focus of this reform is to improve the way home-care places are allocated across Australia under the aged-care approvals round, or ACAR, to better meet community demand and give providers more certainty. We have committed to residential, home-care and flexible care providers, who, under this budget, will receive an increase in funding of 2.4 per cent for their basic subsidy from 1 July 2014, while eligible programs such as the Commonwealth Home and Community Care Program will receive a 2.4 per cent increase in their funding.

Regional, rural and remote providers will also gain from a 20 per cent increase in viability support payments from 1 July 2014. These payments aim to improve the capacity of small, rural aged-care service providers to offer quality care to residents. Providers do not need to apply for the viability supplement; it is simply paid automatically to eligible providers every month. It was only last week that I had the pleasure of welcoming the opening of the next aged-care approvals round. This round continues to expand the home-care package program, which provides individually tailored packages of home-care services to help older Australians remain independent, with residents in Western Australia now able to apply for 1,058 additional residential places and 672 additional home-care places.

This funding announcement goes hand in hand with my own recent review of the aged-care sector throughout the Durack electorate to gain on-the-ground feedback from relevant local government bodies and key stakeholders on the reforms that are needed to improve regional aged-care services. The focus of these roundtable meetings was to listen to the aged-care issues faced in these towns to find out how they could be improved by a collaborative effort between the three tiers of government and primary providers and to ensure that any existing plans or concepts are understood and included in our overall strategic review of Durack's aged-care sector. We have already identified key issues in the provision of aged-care service delivery in these regional towns, including a significant increase in demand for aged-care services in towns which are considered 'aged-care friendly'; the need for an increase in high-end service delivery—it is, however, important to note that, as I have previously mentioned, the Commonwealth HACC program is still making a significant contribution to aged-care services and will continue to do so; and a lack of service providers in regional areas. By identifying the key areas where services are lacking, as well as the types of services that are needed, my aim is to ensure that any long-term plans to increase aged-care services in Durack are considered and implemented strategically.

It is clear that this government is committed to improving the lives of every Australian; in particular, of those living in regional and remote areas. This will not be an easy task, particularly when faced with a population that will increasingly become more reliant on our health services as that population ages. The only way forward for Australia is for each of us to contribute to savings, and get our economy back on track.

To pay for new hospitals and to provide all Australians with access to first-class medical facilities and practitioners, we need to balance the books—the same way each household has to balance theirs. The more we slide into debt, the harder it will be to pull ourselves out. That is why this government is taking the necessary steps to cut red tape and to implement cost-
saving measures that will improve the lives of every Australian in the short and long term, but in particular for those in rural and regional areas.

I commend this bill and all cognate bills to the House.


Reflecting on the budget brought down by the Treasurer just over a couple of weeks ago, what immediately struck me—as someone who represents a large constituency in the outer suburbs—is the disproportion of the bulk of heavy lifting that has to be done by those in the outer suburbs to address the budget crisis that this government talks about. But what also struck me is that I recall that the previous government paid a very heavy price for a broken promise. That broken promise, in the public's mind, was that there would be no carbon tax. I was discussing this with a colleague the other day: this budget contains not one broken promise but 20. I have never seen a set of circumstances where a government has misrepresented the facts so brazenly and so often, and has come to the community and said, 'Well, you are expected to make this sacrifice'—particularly those people in the outer suburbs.

One of the things this budget does is that it is a complete contradiction of the Howard government legacy. I think, in many ways, John Howard got it right when he recognised the need to remove the fuel indexation excise in 2001, and to increase family tax benefits to many families in my electorate.

When we got into government, we further developed the infrastructure needed for people that live in the outer suburbs. We did this through the BER and National School Pride programs; through grants to areas such as the Chisholm TAFE in Cranbourne, the Casey RACE aquatic centre, and the Casey Fields athletics track and playground; through additional funding for much-needed roadworks; and through emergency payments to emergency relief providers such as the Cranbourne Information and Support Service, the Casey North Community Information and Support Service, and the Casey Cardinia Community Legal Service. We created a headspace centre in Dandenong and we approved and were implementing a headspace centre in Fountain Gate, with a planned early intervention psychosis centre coming over the top of those two. We were also committed to building multicultural community harmony. We did this through grants to the multicultural communities in my electorate.

John Howard and Kevin Rudd understood that there is a risk when you move out to the suburbs, which are developing and growing, but they do not have the social infrastructure that is required. Often they do not have the roads that are required to sustain the population increase. And to illustrate this point, if you look at a facility like Albert Park, for example, in Melbourne, with its Olympic swimming pool, soccer field, elite track, wonderful lake, golf course, gymnasium precinct and picnic grounds—no such combination of facilities exists in my area, with the exception of a laudable attempt by the City of Casey in the form of the Casey fields precinct.

This budget is saying that if people make the journey in the outer suburbs to build a new life for themselves and their kids, they are being disproportionately punished. Frankly, they do not think that is fair. Instead of building up and strengthening our local communities, this
budget has cut people's entitlements and level of security whilst curtailing their opportunities. One thing that John Howard always talked about was the aspirational class and creating opportunities.

There is no doubt that the Australian economy faces challenges in providing new levels of security such as funding the National Disability Insurance Scheme and providing new opportunities for young people under the Better Schools Plan, particularly when there are revenue shortfalls. The answer to these challenges is not to destroy people's confidence in the Australian economy, not to eliminate opportunities but to create them and grow the economy and constrain expenditures in areas that do not threaten that growth and families' capacity for opportunity.

The biggest concern out of this budget relayed to me is that my electorate comprises manufacturing workers, retail workers, trade workers, construction workers, which accounts for almost 40 to 45 per cent of employment in my constituency and these people use cars and they do not get the fuel rebates that the mining or the agricultural industry get. They do not get rebated for the petrol that they use. In 2001 John Howard, knowing that he had a problem in the outer suburbs, removed this fuel excise indexation. Do you know what would have happened had he not removed it? A very illuminating paper from the Parliamentary Library said that 'The current rate as it stands at the present period of time of this fuel excise'—customs duty, if you want to include that as well—'is now 38.143c per litre.' If the fuel excise indexation had continued before John Howard intervened, it would now be 55c per litre.

So is that what this government wants, because it is now reinstating that fuel excise indexation? How on earth do you think that a price increase over that period of time in petrol from 38.143c to 55c per litre benefits people who rely on cars and utes to get their families around and for employment opportunities? It is just crazy thinking. If you look at the total revenue for it over the forward estimates period, it is about $4.15 billion but, as I said to you, $1.8 billion of that is rebated. I do not represent a lot of mining workers; I represent tradies, I represent construction workers, retail workers and other workers and a lot of mums and dads. They are driving their kids around the place. They are not going to get a rebate. They are just going to be slugged with this fuel excise increase.

It disproportionately involves people from the outer suburbs. It is effectively reinstating an outer suburbs tax. I do not think that is fair and I think the government should seriously be reconsidering it because the constituency that I represent is not silly. It is a wise constituency and it knows when it is not being told the truth, and they certainly do not believe they are being told the truth with respect to the budget overview macroparameters but also the reasons why they have to be targeted in this particular way. They just do not accept it.

Another issue that was raised right off the bat was the introduction of the $7 GP tax. As I said, I have a lot of families in my area and they need to go and see their local doctor. You raise the price of petrol but then to give them an additional burden, an additional tax, you put a $7 GP tax on their visits. Notwithstanding some pretty interesting comments from those opposite about Medicare being overused and overserviced, that is not what people in my electorate think when they have a sick child. They need to take the child to a GP. If they have two sick children, they have to go to the doctor twice. They do not think they are being overserviced by their GP; they are trying to make their kids well. They are trying to make sure that those kids do not infect other kids if there is an issue.
We have tens of thousands of young people in my electorate. When you have outer suburbs growth-belt areas, they of course have a disproportionate call on general practitioners. They need those general practitioners, because there is nothing more important than the health of their children. I have two children and we have had to use GP services. Was I overusing the service? It is quite a stunning, values based statement to be making. It is a statement that could be made by a party that represents those living in the inner city, not the outer suburbs. I have spoken to GPs in the area and they are mortified about this particular introduction of a new tax. I have spoken to Dr Ariane D’Argent, Dr Stuart Rumble, psychologist Stephaine Chu and a constituent Helen Jolliffe about this. They say it affects everybody. It absolutely does affect everybody and there is no compensation for it, regardless of what is being said.

In addition to imposing this new tax on doctor visits, the Abbott government has decided to make the Medicare safety net less fair from 1 July 2016 by cutting $270 million and transferring these costs onto families. The elderly, who are a group who have sacrificed much to make this country the country that it is, are already not going to the doctors. These are the people that need to go to their doctors to ensure that their ongoing use of medications continue. You save as much money by people going to a general practitioner and picking up an early diagnosis of an issue in that age group.

What are you saying to people with mental illness? If you are going to the doctor and are trying to get an assessment or a diagnosis, you do not want to go to hospital because, believe me, going to an emergency ward seeking some sort of understanding of what your condition might be is not the best way to go. Our whole health system channels us towards a general practitioner as the gatekeeper to the entire medical system. So young people with mental health issues going to doctors are then having to pay an additional $7. The implication is, according to the government, if they keep on going to the doctors then they are using the system. It is a horrible, values based suggestion to make and it disproportionately affects people in my constituency.

Locals in Holt have also found out that they are going to have an additional $100 charge to see a medical specialist, which is another hidden nasty. In outer suburbs, in growth spot areas, they rely on public hospitals. What we see in the budget in 2014 is that it cuts funding for three local hospitals that service residents in my electorate. Between 2014 and 2018, the Monash Health network of hospitals stand to lose $122,536,072, which includes funding to the Casey Hospital, the Cranbourne Integrated Care Centre and the Dandenong Hospital.

Last year, in 2013, the previous Labor government had a $107 million funding shortfall for all of Victoria. There was a disagreement between the Liberal state government and the federal Labor government about funding. Do you know what it did as a consequence of $107 million shortfall for the entire state of Victoria? It started closing hospital emergency wards. They started basically going down the pathway of shutting people's access to hospital emergency wards. So if three critical hospitals in a growth network were going to be closing their emergency wards when a much smaller amount of money was going to be taken out of their system, you will have a substantial problem on your hands when they get told that they are going to lose $122 million. Again, what do I say to people that I represent in my constituency? If you get sick, do not go to a GP because you are going to get charged $7. And if you go to an emergency ward at Casey Hospital, it might be closed because they are the measures that are going to have to be contemplated by the state government because of this
health funding shortfall. The precedent occurred last year. The precedent occurred when $107 million was taken out of the system and then, by the way, the federal Labor government reinstated that $107 million to ensure that emergency departments were not closed. So this is not going to be the case with the Abbott government.

Medicare Locals being abolished was another broken promise. They were told they would not do that. I have a great Medicare Local called the South-Eastern Melbourne Medicare Local—I call it SEMML. It basically was awarded the budget for headspace in Dandenong. It got it up and running in four months and it is a great enterprise.

What has happened as a consequence of the Medicare Locals being abolished is that the SEMML was awarded a tender to establish a headspace in Narre Warren at Fountain Gate. We have a real problem with youth suicide in my area and that is why I have campaigned relentlessly to ensure that there was a headspace in Dandenong and a headspace in Fountain Gate. I was very confident, given that SEMML had been awarded the contract for headspace in Fountain Gate, that young people that I represented were going to get a community-friendly service that they desperately needed and deserved. What has happened with the abolition of this excellent Medicare Local who has successfully been running the program and the headspace in Dandenong has resulted in uncertainty because it has been delayed.

To the health minister: given the level of youth suicide that we have had to endure in our area and after campaigning to get a necessary facility that was promised by the government, if you think we are going to accept delay you are delusional. That is just not going to happen. Young people in my area deserve these services. We will campaign day and night until they get the services that they deserve, that they need and that they were promised. This government is now callously delaying it. That is unacceptable and we will continue to campaign until that gets fixed.

We talk about pensioners. They have sacrificed and laboured for our country's good and they are being told that people shifting into that age by 2035 are going to have to work until they are 70. That sounds great, but not if you are a construction worker, not if you are a tradie, not if you are someone who works with your hands like so many in my area and not if you work in manufacturing. This is a budget of broken promises and lost opportunity which disproportionately affects people in our suburbs. I ask the government to reconsider some of the more pernicious measures that have been introduced in this budget.

Mrs WICKS (Robertson) (16:46): The Central Coast is one of the most important and beautiful regions in the world with people who are passionate about seeing it grow and thrive. From the bustling intersections in Gosford to the tranquil beaches of Avoca, there is a unique mix of families, commuters, young people, veterans and senior Australians and more who have all made the Central Coast their home. We are proud of our region and rightly so. But under Labor, the Central Coast was a place without a vision. Only the coalition went to last year's election with a positive plan, our growth plan for the Central Coast.

When I am out doorknocking in suburbs such as Woy Woy, Niagara Park or Erina, I am reminded every day of the importance of what we are doing in government. Through this budget and through our positive plan for the Central Coast, the coalition government is working to ensure that the Central Coast is a region where people can tap into the wealth of future employment and educational opportunities that may one day be available right in our own backyard. This is a tough budget, but it is a fair budget and it is a responsible and
visionary one as well. It takes real action to address Labor's legacy of debt and deficit, and we are taking responsibility to deliver this real action for the sake of future generations of Australians.

The previous government ran up five record deficits and left $123 billion in future deficits. Without policy changes, our debt would have reached $667 billion. If we want to create for the Central Coast a future of hope, reward and opportunity, we need to take action now and not put it off for our children and our grandchildren to deal with. Labor's debt is already costing about $1 billion a month in net interest payments and that is borrowed money. It is simply unsustainable and more needs to be done. Something needs to be done. To make this transformation possible, we need to start in our region with more jobs.

I am proud to say that this government have already acted on our growth plan for the Central Coast by announcing, as part of our budget measures, that 600 Commonwealth jobs will be located in Gosford CBD. This is a game-changer for the Central Coast. In our growth plan, we actually committed to 250 to 300 jobs and now we have doubled that. The Australian Taxation Office will make up around half this number. This is a boost for the area not only with these 600 jobs but also because it will help to drive even more activity to local cafes, local restaurants and local businesses. It is a game-changer because it will help our young unemployed people and we have an incredibly high rate of youth unemployment on the Central Coast. They will have more access to local employment opportunities. It is a game-changer because it will help our university graduates with more opportunities for pathways into great jobs locally on the Central Coast. It is a game-changer because there are 600 more opportunities for families who currently commute, leaving early in the morning and returning home to their families late at night because the job opportunities are in Sydney or Newcastle. This is a game-changer for our families on the coast as well.

I am pleased to advise that planning has already started for a purpose-built facility in the heart of our city's CBD, and this is going to boost investment and provide secondary employment through increased economic activity. It will also help create jobs in its construction phase. Gosford City Chamber of Commerce and Industry President Ali Vidler has said that the new purpose-built facility will have a huge effect on our local business community and that it is a positive leap forward for the growth of the CBD and its future. Central Coast New South Wales Business Chamber Regional Manager Daniel Farmer has described the announcement as a catalyst for growth and, in his words, a 'coup for the Central Coast'.

Gosford is also one of the suburbs to benefit from the coalition's $50 million Safer Streets program, also provided for in this year's budget. Our investment of $680,000 in Robertson will install more CCTV cameras in Gosford, Woy Woy, Umina, Ettalong Beach, Kariong and Kincumber. It is great news for local shops, because it is helping to reduce antisocial and unlawful behaviour by helping to stop it in the first place.

So we are delivering jobs, and we are enhancing security—but I know that people on the Central Coast need more. Every day I am asked by people in my electorate about what we are doing to build roads and infrastructure. I am proud to respond by saying this government is building the roads and infrastructure of the 21st century. Our Economic Action Strategy includes a record investment in infrastructure in New South Wales, which will create thousands of jobs, slash travel times and boost economic growth.
Part of this is a $405 million investment to help build NorthConnex, which will mean shorter commuting times of up to 15 minutes, reduced congestion and safer roads. Building this missing link between the M1 and the M2 has been talked about for decades, but it is only a coalition government that is actually delivering this. For people on the Central Coast—for people like my husband, Chris, who leaves early in the morning at a quarter to seven, and often does not return home to our two kids, aged three and five, until eight or 8.30 at night—and for the thousands of families who have those daily experiences, this means less time in the car and more time around the dinner table with their families.

We are also fixing accident-prone black spots. One of these, at the intersection of Langford Drive and Woy Woy Road in Kariong will receive $675,000 allocated from this year's budget. We discussed the benefit of this funding recently with the Kariong Progress Association and some local residents from Kariong, together with the Assistant Minister for Infrastructure and Regional Development, Jamie Briggs. The progress association, led by Peter Pauling, together with Kariong resident and community advocate Fiona Lloyd, have been tireless advocates for this project for more than two years. Putting the safety of their community in first place, they have been determined to see this dangerous intersection fixed. Fiona Lloyd told me that there has been a large growth in the area in terms of traffic volume and pedestrians, with a new high school, playground and childcare centre. Receiving this funding will allow Gosford City Council to work towards providing the safest solution for both pedestrians and vehicles, which will greatly improve the safety of residents in Kariong.

This is a 'contribute and build' budget. But it is also a budget that supports our community in fair and decent ways—unlike what you hear from many of the myths that Labor and the Greens are peddling at the moment. There are more than 9,000 people in my electorate on the part or maximum pension rate. I am regularly out and about, meeting with pensioners on the Central Coast. In fact, I was at the 25th birthday celebrations of the School for Seniors on the peninsula recently. There I met so many genuine, honest, loyal people who believe in the value of community, and who believe in the value of our local community. I know that from their own life experiences they also know how to ask straightforward questions. And on the issue of pensions, we have a straightforward reply. I can confidently say that the coalition are making no changes to the age pension payment in this term of government. The coalition government will continue to increase the rate of the age pension every year. In March and September it will go up every year. In September 2017 it will continue to go up by CPI. And pensioners will keep important Commonwealth concessions and benefits.

This government has made responsible, long-term decisions to ensure the age pension system is sustainable and able to meet future demand. Simply put, if we do not take these steps, the cost of the age pension system is projected to increase by 70 per cent, from almost $40 billion a year now to $68 billion a year over the next decade. Importantly, pensioners will be better off when the carbon tax is scratched. We are determined to abolish the carbon tax. It is a $550-a-year hit on families in my electorate. When the carbon tax is gone, pensioners will benefit from lower bills. My concern is that, if this toxic tax is not repealed, I may start hearing some of the same stories that I did from before the election about people in my community who were too afraid to turn the heating on in winter because they dreaded the possible cost.
The former member for Robertson, now a senator, is part of the reason the legislation is being blocked. Labor said they were terminating the carbon tax, and now they are refusing to repeal it. I ask them to listen to Australian people, to listen to the people on the Central Coast and to help us scrap this tax for good. In the meantime, the coalition government is delivering record funding for hospitals. Annual federal assistance to the states for public hospitals will actually increase by more than nine per cent every year for the next three years and by more than six per cent in the fourth year. This is a 40 per cent increase over the next four years, or more than a $5 billion a year increase in spending on hospitals. Yes, we are asking people to make a modest contribution in terms of the GP co-payment, while, at the same time, having a strong safety net. It is wrong to suggest that there is such a thing as free medicine, because it is not free for the taxpayer. The co-payment contribution that we are asking for will be capped at 10 visits a year for Commonwealth concession cardholders and for children under 16.

Importantly, the government will reinvest every dollar of savings from health reforms in the budget into a new $20 billion Medical Research Future Fund. This future fund is expected to become one of the biggest medical research funds in the world. The future possibilities from this investment are endless, but let me take one local example. Some of the bravest people I have met on the Central Coast are those with Huntington’s disease. I was invited along to the monthly meeting of a support group at Niagara Park to meet with the families and patients with Huntington’s. I am pleased that, as a result of our honest decision in this budget, I can tell them that Australia is investing in world-leading research on many of the challenges that we currently face in health.

Our government is also delivering visionary policy in the area of higher education in ways that have the potential to be a game-changer for the Central Coast. Our reforms are about delivering world-class universities to Australia, and I am determined to see the Central Coast become one of the hubs where the best minds in the world can embark on producing breakthroughs in every field. This budget enhances these sorts of possibilities by setting up our nation to have the right economic conditions and the best possible culture for our young people to be able to earn or learn. Graduates earn on average 75 per cent more over their lifetime than school leavers. At present, students pay on average only 40 per cent of the cost of their university education and taxpayers pay the remainder—60 per cent. Surely, it is reasonable that students who will benefit from this university education—and I personally have benefited from an outstanding university education—make a fair contribution to the cost of their education. The reforms that we outlined in the budget will provide a bedrock for the right environment for students in my electorate on the Central Coast to gain access to the best possible educational opportunities.

We are conscious of providing more opportunities for students. That is why we are extending Commonwealth support to all Australian higher education students, not just students enrolled at the established universities but also students enrolled at registered higher education institutions who are studying bachelor degree courses or diplomas. This means more choice and opportunity for students and greater competition. It is about helping students on to a stepping stone towards real advances in their education.

For students who need it most, there are also generous scholarships. Universities will need to invest $1 of every $5 of additional revenue for students from low socio-economic status backgrounds through our new Commonwealth scholarships. We have thousands of tradies on
the Central Coast, many of whom are forced to travel down the M1 to get work in Sydney. This budget helps them as well, through Trade Support Loans for apprentices. Starting in July, these loans encourage more young people to take up a trade and to complete their qualification. Like the Higher Education Loan Program for university students, the Trade Support Loans will only be repayable once apprentices are earning a decent income. Coupled with the government's record education funding investment of $64.5 billion over the next four years in schools, we are delivering an education system that takes care of students from the moment they first put pen to paper.

This is not just a budget about reducing debt and deficit so we can have a strong and prosperous economy; it is a budget that is about investing in more jobs, better infrastructure, education and health. Our government has a plan for the Central Coast that we can rightly be proud of. It is a budget that is enabling us to build together for our future, with confidence. It takes real action and real commitment to be able to deliver a budget that has been laid out to deliver a blueprint for the future, a blueprint for the Central Coast. I know that it is going to deliver real outcomes and real opportunities for what I know to be the best part of the best country in the world to live in.

Ms McGOWAN (Indi) (17:01): I rise today to talk about the 2014-15 budget, and I acknowledge my colleagues in the room. I begin by summarising the results of my budget impact tour, the process I have undertaken to listen to my constituents during this budget process. It is one of the delights of being an independent that I am able to do this. Since the budget was delivered, I, my staff and a large group of volunteers have been travelling around Indi undertaking a budget impact tour. We have held talks and listened to the views of people and interest groups in all parts of the electorate, asking them for their three budget priorities and suggestions for revenue raising. We have seen more than 300 people face-to-face, and 250 people have contacted the office by phone, email, social media and website. As I speak, a team of volunteers are recording this data, tracking where the respondents live, what topics they are particularly concerned about, and their ideas for changes and improvements to the budget. I anticipate that the full detailed report will be available in early June. In the meantime, I am using the material gathered during this tour to strongly represent my constituents in this place. I am making speeches, moving amendments to budget bills, and negotiating with parliamentary colleagues, staff and crossbenchers.

So what have the people of Indi been saying? We have heard positive things about the budget, especially about the government's move to reduce debt and the deficit and to build strong road infrastructure. Generally speaking, the people of Indi believe something had to be done. They were willing to tighten their belts, and they recognised the role—indeed, the responsibility—of a new government to review long-term strategy and set direction. They appreciate that the government delivered on all their election commitments to the people of Indi: for planning for the Bright hospital, for roads in Indigo Shire and, together with the MP for Farrer, for funding for the cardiac laboratory at Albury Wodonga Health. They also acknowledge government funding for their election commitments to the Roads to Recovery Program, Bridges for Renewal, $100 million for mobile phone coverage, $100 million for agriculture research and development, inland freight rail planning money, and further funding for mental health and Headspace.
However, rural people do understand money. They understand budgets and they understand the need to economise. There was no shortage of alternatives and additions that people offered to me to increase the revenue side of the national budget. But, like many other communities in Australia, a significant percentage of the people were disappointed in the budget. They thought it had an urban bias. They thought it failed to take account of circumstances in country areas and regional cities. They thought it fell heavily on the shoulders of the poor. And they thought it lacked a strategic vision for the future of the nation. They specifically mentioned the social impacts of the budget on low- and middle-income families, older people and especially young people seeking work. This was because of the impact of the fuel excise, the GP co-payment, reduction in council funding, decreases to pensions, changes to Centrelink payments, long-term cost shifting in health and education funding, increasing defence spending, and the deregulation of university fees and the increase in costs to students.

These are serious concerns and I will be talking about these extensively with all my parliamentary colleagues, particularly those in the Senate. However, in this speech I would like to focus on the impact on rural and regional living and on young people. In country areas access to communication infrastructure is essential, and the government's telecommunications budget allocation failed to acknowledge the complexities for regional living. Instead, NBN coverage and quality of coverage has been reduced. $100 million for mobile phone towers is not nearly enough. Research indicates that $100 million will at best only pay for an estimated 200 to 250 new or upgraded mobile sites across the whole country. In Indi alone, my local councils estimate that 200 to 250 mobile black spot towers are needed. Many of these are needed in areas severely impacted by the bushfires and many are needed for long-term safety of the residents.

Access to travel is also essential in country areas. The fuel excise will impact on all people who live in rural and regional Australia but particularly so on those who do not have access to public transport. To live their lives, to earn, to learn, to lift for the country, as the Treasurer has asked us, we must drive. Constituents constantly told me that petrol is already more expensive in the country, and now it will be even more so. Access to a doctor is essential in rural areas and the GP co-payment adds to fees that many people in Indi already pay. The national bulk-billing average in Australia is 75 per cent and in many metropolitan areas it is 85 per cent. In Indi it is 65 per cent, which means that 35 per cent of people already pay large amounts of money to go to the doctor. So the compound effect of these fees—for GP visits, for medicines, for blood tests and for X-rays—will be significant, particularly for people on fixed incomes such as our older people.

In rural areas local government services are essential. The National Local Government Grants Program was designed specifically to make up the shortfall in funds rural and regional councils often have in their revenue stream. It enables them to provide services that equal their metro cousins. The freeze on indexation of the payments to councils will mean that rates will have to rise or services decrease. The importance of councils in rural and regional areas cannot be underestimated. While it is true that many in Indi accept that something had to happen, there was a strong consensus that from a social perspective the collective impact of these policies will impact most severely on rural and regional living.
Support for young people in rural and regional Australia is essential. Young people are the future of Australia and they are particularly the future for rural and regional Australia. Many of the young people I spoke to felt that the budget would not help them. They said they felt they were being blamed for not being able to get work, or blamed for not getting into further education. As one young woman said, 'I am trying, but it's so hard and it will be even harder with no money.' The cuts to education and to financial support for people under 30 on youth allowance and Newstart will have a significant impact on a whole generation of young country people. Young people in Indi are not lazy. They do not want to be unemployed forever. They want to undertake education. There are just not enough local opportunities to earn and learn. Much of Indi has a youth unemployment rate of 17.5 per cent, which is 11.5 per cent higher than the average unemployment rate in this country. Many parts of Indi have no local further education options, and those that are there exist in the northern parts of the electorate. Altogether we have approximately 5,000 further education places. However, there are well and truly over 5,000 people already on Newstart or youth allowance in Indi.

This makes for a very difficult equation. How can we expect young people in Indi to earn or learn when there are insufficient jobs and insufficient education opportunities for them? The options are limited. I believe the unintended consequences will be severe and long lasting, and I will be doing my very best to have this part of the budget changed. We need to support and encourage our young people to remain in rural and regional Australia, and we need to support and encourage their parents, their families, their friends, community organisations and businesses to create local jobs and education opportunities.

There are solutions to many of the issues identified, and many people in Indi were keen to be part of a national discussion. How do we grow the economic pie? How do we maintain a fair social welfare safety net? They said they were prepared to tighten their belts, even to pay more, if they had a sense that the budget would build a stronger and more resilient country. A constituent in Wodonga—male, retired, over 60, reasonably well off who owns his own home, whose children are all in jobs and who is still healthy—told me that last year he received an income of over $400,000 from his self-managed super fund, and he said: 'Cathy, I pay no income tax at all. That's just not right.' And I agree. He was one of a number of people who were happy to discuss with me how they personally would be willing to pay more for their fair share.

With this feedback, yesterday I moved an amendment to the debit tax levy that it be extended to 2020-21, as I too believe that people with more, such as me, should pay more. How disappointing it was that the government and opposition voted against this amendment.

In Indi, we listened, and we heard the diversity of voices that can be found across rural and regional Australia. Rural people do not like the ongoing blame game. They do not like hearing that it is always someone else's fault. They do not want to be told that they are untrustworthy or lazy or just too old. The resounding message from my budget impact tour was that people want their government to give them genuine leadership and vision, especially in rural and regional areas where they live. Australians are looking forward to a debt-free future, but not at the cost of a lost generation of rural youth, not at the cost of viable regional communities, not at the cost of equality and certainly not at the cost of disengagement from the political system.
I believe that many of the social aspects of this budget are unfair, especially for rural families. I also believe that this parliament has the knowledge and the talent to offer better, more fair alternatives. To both sides in this public place: my constituents ask that you please stop focusing on the past, that you stop focusing on blame and negativity. It makes people feel disengaged from this place. My constituents ask that we start working together—as, on both sides of the House, you proved today, to my enormous disappointment, you could come together and work to block my amendment in this House, which would have made more money available from those who are able to pay. My constituents ask that we work harder and we work better together for this country, because we know we can do better. We know we must do better.

Mr BRUCE SCOTT (Maranoa—Deputy Speaker) (17:13): The recent budget week here in Canberra proved that we as a coalition are up to the test that has been left to us as a result of our election at the last federal election. On that night, the Treasurer laid out a blueprint for our economy and the budget that we want passed by both houses of parliament so that we can get on with the job of fixing the budget mess that was left to us. We are not prepared to see the responsibility passed to another generation to pay back the debt that has accumulated with seven years of Labor administration. To put the debt in perspective, much of the forward estimates show that the debt will continue to rise. It is unsustainable. One of the worst aspects of this, apart from it being unsustainable, is that the very interest we are paying on that debt—$1 billion a year, which we borrow to pay the interest—is just dead money. Imagine just what we could do with that extra $1 billion, or $12 to $13 billion a year, if we were not spending it—borrowing it—to pay the interest on our debt, as we must.

We have a plan, and we want to make sure, as we go through this budget not only to the end of this parliament but also in this session, that we will see some initiatives passed in the lower house and sent up to the upper house, so that we can see the upper house pass them before 30 June. One of those I would like to see the Labor Party support us on, which has already passed the lower house, is the abolition of the carbon tax—that tax that cascades throughout the system. If we do not get it passed by 30 June, it will then start to apply to the fuel tax bills of the trucking industry around Australia. As part of an arrangement where they pay a road user charge, and get a credit for part of the excise which the motorists pay—but which they do not have to because they have a road user charge, we will start to see the carbon tax apply to those in the trucking industry. For my constituents, as many in rural and regional Australia would appreciate, the tyranny of distance is a very big factor. If we are to do anything about reducing the impact of the cost of transport in this country, we have to start to bring down their costs and see greater productivity. The benefits to regional and rural communities and, of course, to our competitiveness as an exporting nation, should be clear for all to see.

One of the issues that is terribly important for my community in rural Australia—and I must say I represent and I am the voice of 42 per cent of the land mass of Queensland in this place; I say that I am the voice for the people who don't have the voice in this place—is this: based on research that has been done by Monash University and the Centre for Remote Health, if two babies were born today, one in a capital city and one in the west of my electorate, there could be a difference of up to seven years in life expectancy—merely because of the postcode of the place where they were born. That is up to seven years. That
means that for those in rural and remote Australia, if they live their life at the postcode they are born at, as compared to those in the city, there could be a difference of seven years in their life expectancy. The other thing is that life expectancy is increasing 20 per cent faster for urban Australians than for their counterparts out in country areas. So that gap is going to widen, unless we are going to do something about it—and we do in this budget.

I am very happy to be working with my state colleague, the Minister for Health, Lawrence Springborg. His constituencies are all contained within the boundaries of Maranoa. The Queensland government are already making a significant difference in relation to access and in the way they are running the hospitals in Queensland, which are their responsibilities. He has already announced there are going to be some trial sites set up for telemedicine, running as hubs in my electorate—in Roma and Charleville for instance—with hubbing to the smaller communities, and supporting those smaller communities from bigger hubs. It is a great initiative, and I am certainly looking forward to working with the state health minister on this issue. I want to say that the annual assistance to state public hospitals will increase by more than nine per cent every year for the next three years. So whilst we are dealing with the debt situation, trimming the budgets and making sure that we continue with our absolute responsibilities in very key areas, health being one of them, we will continue to see that funding rise for the next three years, and by more than that in the fourth year. It really means that there is something like a 36 per cent increase, over the next four years, in health funding to the states. States run hospitals, and the private sector runs hospitals; the Commonwealth does not run hospitals—we might run one in Tasmania, but we do not run hospitals. We do provide, importantly, health funding.

The co-payment for a visit to a GP is an important element of the budget, because as part of the savings that will come through that process we want to establish—and the Treasurer announced this as one of the key planks in his budget on budget night—a future fund for medical research. We want to see that medical research centre grow to the tune of some $20 billion, given that we have some wonderful research going on now. But it will need money.

A great example of medical research is Professor Ian Frazer, from Queensland. He invented the Gardasil vaccine, which is a vaccine against cervical cancer. What a wonderful breakthrough that was, but it required research money. With an ageing society in Australia, as well as people living longer, research will be a critical factor if we are to ensure that people have a better quality of life as they grow older and make the most of their time on this earth. So that medical research fund is critical. I think it will also attract brains to Australia in the area of medical research—a research community. We in this country should see ourselves as pre-eminent in research, as pre-eminent as some other countries in the world, with old sandstone universities that have great reputations. We also have that capacity in Australia. Professor Ian Frazer has given us an example of that capacity, as have other researchers over the past decades. So let us make sure we can do something about establishing that fund. This budget does that.

Education is, for anyone, one of the great tools in life. Without it, it is a tool that you will miss. I believe everyone in Australia, regardless of where they live, have the right to have access to good, affordable primary, secondary and post-secondary education opportunities. With respect to the Australian participation rate for students at universities, in 2010, 18 per cent went on to university. In 2006, it was 18.08 per cent. It is not rising. Yet in our capital
cities, university participation rates for students from metropolitan families have increased over the same period, from 28 per cent to 35 per cent. That demonstrates that if you live in a city or a big regional community, where you have access without necessarily having to leave home, you get that access to a post-secondary education opportunity.

One of the terrible results is that, in remote Australia, the participation rate in post-secondary education is as low as one per cent, compared to the rate in cities, where 35 per cent of students go on to university education. One in remote Australia! We have to fill this gap. In this budget we start to address that issue. It is not only about access; it is about affording the access to go to university. We are planning to extend the opportunities so that more people can attend university. We are planning to extend the access, particularly to disadvantaged students in rural, regional and remote Australia.

Whether it be through HECS-backed diplomas and the pathway courses or increased support for young people wanting to take up a trade, this government is making it easier for them to learn now. As the Minister for Education quite clearly said in question time today and since the budget was announced, our plan is to support more than 80,000 additional students each year through these new measures.

In many ways, diploma students will be the big winners out of this budget. Students from low-socioeconomic groups in regional and rural areas will have more opportunity than they have had before. I have outlined the percentage of participation now. It is about affordability and access, because they all have to leave home to gain access to university or, in some cases, maybe TAFE. So often, it is not affordable for the family.

New Commonwealth scholarships will be available to support those students. This is the important plank: higher education institutions will be required to spend $1 in every $5 of additional revenue they get from fee deregulation on Commonwealth scholarships and other forms of support for those from low-socioeconomic backgrounds in regional and rural areas of Australia.

The minister at question time today outlined the example in the United Kingdom of what happened there once they started to deregulate the fee structure for universities. I think we can draw on that example of what we could expect here in Australia, which I say will give these students from rural, remote Australia—disadvantaged families—the opportunity to gain access to university.

The Trade Support Loans are also terribly important. My electorate of Maranoa has got the coal seam gas industry—one of the largest investments in Australia with all apologies to Western Australia; we have got a massive investment. This is a $60 billion coal seam gas investment that will be delivering great results to Queensland and Australia by this time next year.

Apprentices will have access to some $20,000 over the entire period of their training with more support provided during the initial years when it is needed most. If they complete their four years, it will come in four tranches—$8,000 in the first year of the apprenticeship; $6,000 in the second; $4,000 in the third; and $2,000 in the fourth. If they successfully complete their apprenticeship, they will then get 20 per cent written off their loan—that is $4,000.
What does that mean for people in my electorate in the coal seam area—the tradies, who need those apprenticeships and the training? We need better skills for workers who are in these industries. Now they have an opportunity to be funded, albeit a loan, but there is an incentive to complete their apprenticeships. Far too many apprentices start the day and drop out with the lure of better money, and do not complete that apprenticeship.

Even under the Trade Support Loans, I notice shearers will be able to access this money. One area that is missing at the moment—and I am going to be discussing this with the minister—is the agricultural sector. I want to see it included in the criteria to access these loans, because agriculture is going to be critically important as we look to the opportunities to our north and Asia to continue to grow food for not only our own but global food security.

I will quickly touch on infrastructure—the $508 million for the Warrego Highway. I have already written to the state minister for transport who has responsibility for planning. I want to see the first $49 million starting on 1 July this year go to the upgrade of the Chinchilla to Warra section of the Warrego; some more passing lanes urgently needed on the Warrego east of Chinchilla; and the safety issues in the township of Chinchilla at the railway crossing and a pedestrian crossing addressed.

At the Warwick end of the Eight Mile where the New England meets the Cunningham's Gap road, we desperately need a safety upgrade. There have been 10 fatalities there in the last five years. It is a black spot. I have also written to the state minister to get it on their agenda as they have the responsibility to make the application to the federal government for that money. The money is in the budget. It is now up to them and the minister. I hope that these areas that I have highlighted will meet their approval to get on with the job.

In conclusion, the money for drought support, pest management and also water as a result of the drought package is very much needed and certainly appreciated. I am hoping that the $10 million spent across three states and the money going to Queensland will be used for hard infrastructure such as permanent fencing rather than just ongoing programs which may work. I want to see some hard fencing, so we can start to rebuild our sheep and wool industry in western Queensland. The dingoes, the wild dogs, have almost decimated us. It has had an economic impact on the loss of shearers and the economic flow-on to our country towns. I thank the House.

Mr Watts (Gellibrand) (17:29): I rise to speak on the appropriations bill being debated before us today. We in opposition will of course support the passage of these bills through parliament. We have got a bit of history with oppositions playing games with supply on this side of the chamber. While it was before my time in the House, there are still a few sore feelings on our side of the chamber.

The budget that these appropriations are built on is bad for Melbourne's west, bad for our society and bad for our nation.

Mr Deputy Speaker, my friends on the other side of the chamber would like you to believe that they are the saviours of a 'budget emergency' that is infecting the Australian economy. The truth is that the Australian economy and the Australian federal budget are both in good shape, and they were left that way by the previous Labor government. When the global financial crisis hit in 2008, Labor devised an economic stimulus package that was deemed by Nobel Prize winning economist Joseph Stiglitz to be amongst the best in the world. That is
why in Australia we call it the global financial crisis rather than the great recession, as they do in the United States and the United Kingdom, because, thanks to the Labor government at the time, we did not experience a prolonged recession as other countries in the developed world did.

During this period, we did incur budget deficits, but once the crisis was over the deficit was steadily reduced to $180 billion in prudent savings and taxes on those who could afford them—for example, the mining and carbon tax. By the 2012-13 financial year, the deficit in that year's budget was $18.8 billion or nearly 1.2 per cent of GDP, less than a quarter of the 4.9 per cent average for advanced economies in that year. That budget added to an overall debt of $191.5 billion or 12.1 per cent of Australia's GDP. This figure was small by international standards—less than one sixth of the 74.7 per cent of GDP that is the average for advanced economies around the world.

This was a strong economic record. It was enough to secure our AAA credit rating and a stable outlook from all three credit agencies, putting Australia's budget in the company of the 10 strongest in the world. In this context, it is just not credible for the Abbott government to take these objective figures, these facts, and claim that there is a 'budget emergency'. But as the truth of stable economic management did not fit the political narrative of the Abbott opposition, they pursued a policy of pointing at the total debt figures and shouting 'emergency' over and over again in order to create one out of thin air. Once in government, they then sought to inflate the deficit to $68 billion—doubling the deficit in six months through a combination of spending decisions and a change in the economic assumptions underpinning budget calculations. It was political spin, not fiscal policy, which led to the deficit that we see before us today.

The Abbott government has used this confected budget emergency as a justification for the budget currently before us, containing some of the harshest cuts in Australian history. We have all heard over and over again the Prime Minister's mantra before the last election of 'no cuts to education, no cuts to health, no change to pensions, no change to the GST and no cuts to the ABC or SBS'. The then opposition leader also repeatedly assured Australians that taxes would always be lower under a coalition government. But in this budget, handed down within the first 12 months of the Abbott government, the coalition has broken every single one of these promises, except for the GST—and we know that one is in the mail.

Let us look at some of the ways in which the budget has broken the promises that the Abbott opposition made before the election. Starting with changes to the tax system, as these are the changes that will directly hit the hip-pockets of those in Melbourne's west, the loss of the schoolkids bonus means that Australian families will lose $410 for every primary school student and $820 for every secondary school student every year. The freezing of family tax benefits A and B for two years is likely to leave the average Australian family worse off by thousands of dollars a year. Moreover, family tax benefit B has been restricted, available now only to families with children under six and with earnings of under $100,000 in family income. When justifying this change to the entitlement to family payments to the National Press Club, the Treasurer made a vague reference to the fact that 'your children do grow up'. Maybe they do, but they do not get cheaper.

Next are the two areas in the budget where the Abbott government's ideological agenda is most plain to see—health and education. The introduction of a $7 GP tax marks the biggest
assault on Medicare since the Fraser era. Let us be clear: this tax is not being used to make up a shortfall in healthcare funding. The bulk of the funding instead goes to medical research—a worthy cause, true, but this is a tax designed as a disincentive for people to go to the doctor. If Australians cannot go to the doctor without a credit card as well as a Medicare card then health care in this nation is not free. It is not just the $7 GP tax either. GPs who bulk-bill concession cardholders and children will be losing a $6 incentive payment per patient. With the loss of $11 per patient in total—the $6 plus the $5 for the GP tax—if they continue to bulk-bill, GPs will not be able to wear this overall shortfall.

The Australian Medical Association warns that small medical practices will lose up to 25 per cent of their income if they continue to bulk-bill in the context created by this budget. There will be a significant incentive then for GPs to additionally increase fees, considering that they will already have mechanisms in place to charge Australians for their visits anyway. And when Australians leave the doctor, life will continue to be expensive with a $5 increase in medicines under the Pharmaceutical Benefits Scheme. There are also significant cuts to health programs around Australia, including the axing of Medicare Locals, $390 million from dental services and $360 million from the abolition of the National Preventive Health Agency. This is not delayed pain. These funding cuts will have an immediate impact, with 1, 200 hospital beds around Australia affected from this July.

But the Abbott government have not just attacked our health system in this budget; they have also broken their promise of 'no cuts to education'. Some of the most significant changes in this budget are the cuts to our schools and the higher education system. With all these broken promises, it should not be surprising that the Gonski reforms will no longer be delivered, despite the Prime Minister promising he would do no such thing, despite promising that Labor and Liberal were on a 'unity ticket' when it came to education and despite the Prime Minister's statement, 'We will make sure that no school is worse off.'

In this budget, we will see the indexation for school funding stripped back from six per cent to 2.5 per cent. That is more than $6.5 billion ripped from our schools over the next five years. Most significantly, the allocation of this funding removes the needs based funding distribution model at the heart of the Gonski reforms. This funding model meant that school funding was targeted towards the kids that needed it most. It focused funding on schools with particular student needs, such as students from lower socioeconomic backgrounds, Indigenous backgrounds, non-English speaking backgrounds and students with disabilities. The schools of Melbourne's west would have disproportionately benefited from these changes. They would have received the funding that they deserved to give the best quality education to the kids of Melbourne's west. Now, however, we see a budget that has not only slashed the amount of education funding but erased the needs based distribution model that was the cornerstone of the Gonski reforms.

The most ideological budget changes, however, are those applying to the university sector. If you are a student starting university after 14 May this year, you are going to enter a system where the market, not merit, determines whether you go to university. The deregulation of university fees will allow universities to set the fees charged for courses according to demand. The Abbott government is combining this with a $1.1 billion cut in funding for Commonwealth supported places. Universities have already admitted that they do not know how much degrees will cost when they can charge what they like for them. The chair of
Universities Australia, Professor Sandra Harding, was on the radio last week saying exactly this:

Universities therefore are being asked to set fees in an unprecedented market environment... we have to have a stab and make a decision about what we think the market might bear...

The result is a predicted rise in university costs of up to 30 per cent across the board and undoubtedly more for prestigious courses such as law and medicine. Postgraduate students already pay over $110,000 and $250,000 at Melbourne University for these degrees. With demand for the courses still high, there is no reason that other universities will not charge similar amounts. Amidst all this doom and gloom, it is good to know the Abbott government found room to expand the school chaplaincy program to $250 million over five years. I will let you draw your own conclusions about the Abbott government's priorities in this respect.

Pensioners too will feel the sting of the budget before us today. Despite promising clearly before the election 'no changes to pensions', the Abbott government has betrayed pensioners by bringing in a new indexation system for pensions. Instead of tying pension rises to average male weekly earnings, the pension will be indexed to inflation, leading to a decrease in the pension over time. There has also been a freeze to the means-test thresholds on all pensions. This means fewer of our pensioners will be able to continue to receive the pension.

To add to the pain, the seniors supplement has been taken away from Commonwealth seniors health cardholders. The Abbott government is also making it more difficult to qualify for the Commonwealth seniors health card by including untaxed superannuation income in the income test. These changes will result in pensioners paying an additional $876 for singles and $1,320 for couples per year.

The Prime Minister has left few promises unbroken from his time in opposition, even his promises to make no cuts to the SBS and our beloved Aunty. The Bananas will not be receiving new pyjamas anytime soon, with a $43.5 million in 'efficiency savings' cut from the ABC and SBS. And they may not be receiving a pay cheque either after the ABC and SBS efficiency study forecast for next year reports. The ABC and SBS have tightly controlled budgets. They will not be able to wear significant cuts to their funding. ABC Managing Director Mark Scott has stated this emphatically, warning that these cuts will lead to job losses at the ABC and an overall reduction in services. We know from Mr Scott's evidence today before Senate estimates that this threatens some of our children's beloved figures such Peppa Pig. If the parliament thinks that university students were poorly behaved protesting the Abbott government's cuts, they have not seen what toddlers are capable of doing.

Commuters, too, should feel betrayed by this year's budget. The indexation of the fuel excise in line with inflation will hit Australian families to the tune of $2.2 billion a year. This increase is being justified for investment in the many road projects included in the budget. But the budget has also slashed all the previous Labor government's investments in public transport, redirecting this money for building roads. This means no money for Melbourne metro, which is crucial to increasing capacity for the train system in Melbourne's west as it grows into the future. This is despite the fact the Melbourne metro was ranked by Infrastructure Australia, an independent body, as a 'shovel-ready' project and the most important infrastructure priority for the state of Victoria. It is only one of the many public transport projects across the nation that have been cancelled as a result of this budget. As the
member for Grayndler so brilliantly put it: under this budget, families will not only have to drive more, but they will have to pay more to do so.

What does this all mean for my community in Melbourne's west? Well, in Gellibrand, the cuts will hurt and they will hurt right across the community. Thousands of residents will be impacted by the changes to the Newstart allowance. We will have almost 17,000 pensioners hurt by the changes to the pension indexation and other cuts to concessions for pensioners. The impact on health in our community will be significant. Apart from the potential closure of the Macedon Ranges and North Western Melbourne Medicare Local, which funds important preventative health programs like the Sons of the West men's health program that I am currently participating in, we will also see significant cuts to our hospitals. An estimated $58 million will be cut from hospitals in the west, including Western Hospital in Footscray, Williamstown Hospital and Sunshine Hospital. The hit to local families via the GP tax will be approximately $6.3 million.

The Abbott government has been spruiking the proposed equality of the budget, and argued that we are all doing the 'heavy lifting' together. But economic modelling from both NATSEM and ANU demonstrate that the bulk of the budget burden falls disproportionately on the less well off. It is true that an individual on three times the average wage will be hit by an additional $1,492 a year, which is less than one per cent of their disposable income. But the impact of the Abbott Government's budget cuts will have a far greater impact on less well-off families on $95,000 a year, cutting about five per cent of their income.

Cruellest of all are the cuts affecting our unemployed youth, who are already suffering through one of the toughest job markets in recent years. Youth unemployment in Melbourne's west is currently at over 13 per cent. That is a figure significantly higher than most other areas of Melbourne and the nation. An unemployed young person facing this unfriendly job market, however, will lose $6,944 a year from an income of $13,273. That is over 50 per cent of their income. A person cannot absorb that sort of reduction in income without making drastic changes to their life.

So while the Abbott government may argue the purpose of the budget is to reduce debt and deficit, and to all share in the pain together, if you look at the detail the real truth is easy to see. This is a budget aimed at creating a crueller, colder and more unequal Australia in line with Tony Abbott's vision of smaller government. It is a budget that uses the concocted justification of a 'budget emergency' to end universal health care, create a US style higher education system, and destroy the safety net in place for us all. Australians did not vote for this, and they do not want it.

Mr TEHAN (Wannon) (17:43): Addressing this piece of legislation that is before us tonight, I would like to quote Dickens because I think Dickens sums up what this budget is all about. He succinctly put it:

Annual income twenty pounds, annual expenditure nineteen six, result happiness. Annual income twenty pounds, annual expenditure twenty pound ought and six, result misery.

That is what this budget is all about and that is what the debate tonight is all about. On that side, they are happy for us to place generations upon generations further and further into debt. On this side, we know we have a responsibility. We have a responsibility to be able to look our children and our grandchildren in the eye and say to them, 'We are not stealing from your future.' It would be irresponsible for us to do anything else.
What were we faced with? We were faced with a budget which, heading into the future, was going to see the debt of this nation reach $667 billion, with not a solution in sight as to how we were going to address it. We were left with a situation which already had us paying an interest bill of $1 billion per annum. We were left with a solution from those opposite which basically said, 'Let the spending continue. Let the spending reign and let irresponsibility reign.' But we were not going to stomach this. We knew that we had to be the adults in the room, that we had to be the responsible ones, that it was up to us to act—and act we have in this budget.

We have almost halved the net debt situation, the future generations we will face in seven or eight years time. We have taken the action to make sure that key parts of our economy are placed on a sustainable footing—our health and our education sectors in particular. For those opposite to still stand and say that there are cuts to health and education shows that they have got dizzy from their own spin. If you look at the forward estimates it states extremely clearly that health and education spending continues to go up over the forward estimates of the budget.

We have before us a budget which is responsible, a budget which says to future generations, 'We will not burden you with our debts.' As the Prime Minister so brilliantly put it in question time today, we will not be accused of stealing from future generations. We will not allow this generation to do that to future generations. What does this budget provide? It provides record funding for infrastructure, record funding for roads. I know, Mr Deputy Speaker, in your electorate that would be extremely well met. I am sure it would be in other members' electorates, especially in regional and rural areas. In Victoria alone we are seeing record investment in road infrastructure. In country areas it is worth noting the increased funding for Roads to Recovery, the increased funding for the Black Spots program and the increased funding for projects in my electorate, like the Condah-Hotspur Road, the upgrade of the Great Ocean Road, the extra money going into the Western Highway and also the money which will ensure the duplication of the Princess Highway to Colac. These are all productivity-building infrastructure investments, which will improve the economic output of this nation.

There are also other areas which will benefit from this budget. One of the things which has not got much currency because of the frightful fear campaign being run by certain sectors in the opposition is what we have done in aged care, and in particular what we have done for the aged care sector in the regional and rural areas. We have increased the funding for those vital institutions which provide in small regional and rural communities the ability for older people who have lived in a community to stay in those communities and to spend the last parts of their lives there. Once again, this would not have occurred unless we had this very sensible budget which thinks about all Australians, whether they live in regional or rural areas or whether they live in the capital cities.

This budget also meets everyone's local election commitments. All the commitments that were made to the people of Wannon have been committed to in this budget. I can go around my electorate and look everyone in the eye and say, 'The promises that we made in the lead-up to the election have all been met in this budget.' That is incredibly important. That ranges from CCTV cameras in Maryborough, to the road infrastructure that I have already mentioned, to the lights which will go into Melville Oval at Hamilton, to the regional cancer
centre which will go into Warrnambool. There is a $10 million investment by the federal government in that $30 million project which the community has demonstrated the need for so remarkably. They got the state government on board and raised funds themselves, and we have a federal government commitment to go with it. The result is a $30 million regional cancer centre. All this is confirmed in this year's budget.

But this budget is not just about responsible spending; it is also about real reform. It has been remarkable to see the reaction to this real reform by those opposite and how they have sought to demonise it in an almost abhorrent manner. If you look at education, we see outlined in this budget the most major reform in higher education since the Whitlam reforms of the early seventies. These reforms will enable universities, for the first time, to openly compete for students. This can have real benefits for regional and rural students because universities in our regional and rural areas can offer a lower cost of living than their urban cousins and they can also now compete for the first time on the price of the courses being offered.

It is worth examining the experience in England with the deregulation of its higher education sector. There we have seen a 12 per cent increase in students from lower socioeconomic areas accessing higher education. That is worth repeating: in England we have seen a 12 per cent increase in students from lower socioeconomic areas accessing higher education. And, if you want to, you can juxtapose that with what is happening in Scotland. But I will not go into that detail; I will just make that statement about what has happened in the UK.

For students from regional and rural areas in Australia, who do not access higher education like their city cousins, these reforms give them the ability to more readily access those important institutions. I have said to the Minister for Education that he is making incredibly important reforms and we have to make sure we get the implementation right because, if we do, these reforms can be ground-breaking, especially for regional and rural students.

If we look at health, we will now have a price signal for Medicare. This was tried before by the Hawke Labor government, which put forward some very good cases as to why it should be done. We are once again seeing a small price signal put into the health system so that we can have a sustainable Medicare system. This is about ensuring the long-term future of Medicare; it is not about anything else; it is about ensuring that we can have a health system which is sustainable in the future. In the past decade we have seen a $40 billion increase in the health spend. What we have to do is ensure that health spending is sustainable. For those opposite, I reiterate that, over the next four years of the forward estimates, health spending goes up; there are no cuts; health spending goes up.

To make sure health spending is sustainable we are putting in a small price signal. In doing that, we are not saying this is money which we will then put into general revenue to spend on whatever; we are actually saying we will make sure that that money goes into medical research. So, once again, we are being extremely responsible with the actions that we are taking. We are putting in place real reform which will benefit the nation over the longer term.

It is worth reminding those opposite that in other areas of the health system we do put in price signals and they have supported the putting in of those price signals. So it seems passing strange why they will not agree and see as sensible that we put in this small price signal when it comes to Medicare.
There is another question that the budget has put out, and it is a pretty big question. What it has done is honestly and transparently laid out the future of the nation's finances. But what we are yet to hear from those who are critical of the economic plan we have putting in place is what is their solution. What is their alternative? I say to the Labor Party: come into this place and present to us your alternative plan. How are you going to rein in the spending, or are you happy to sit here or stand here tonight and say, 'We are happy to put the budget on a course so that we will have $667 billion worth of debt in the next seven to eight years.' What is your plan to deal with the $1 billion of interest we are currently paying on the nation's debt? Tell us. Are you happy to go on paying that $1 billion a year on that debt? Are you happy for that to increase over time? What is your economic plan? It is all right to sit there and be critical of this and be critical of that and spin this and spin that. Why don't we see the details of what your path is to get the nation's finances back under control?

So far we have heard absolutely nothing. We saw the budget—in reply speech—not one initiative laid down to say, 'This is what we would do to fix the situation.' If you cannot come up with your own solutions and you do not start doing the work to come up with your own solutions, you are going to get a very rude awakening as the next election approaches. You will be left looking like the emperor that has no clothes. When the Australian people ask what is the alternative there will be nothing there. So rather than spending your time naysaying and trying to disrupt everything that we are doing with regard to our economic plan, why don't you spend your time focusing on what your alternative will be. I look forward to hearing about it.

It is a pleasure to rise here tonight and talk about this considered and honest budget. It is honest especially for the voters of Wannon because every one of our election commitments has now been honoured and clearly spelt out in the budget. I look forward to hearing from those opposite about their economic plan.

Dr CHALMERS (Rankin) (17:58): I rise today to speak on the appropriation bills required to implement the stinker of a budget that is the 2014-15 budget. It is one budget but it creates two nations. It is the most extreme and divisive budget in memory from the most extreme and divisive Prime Minister in memory. It seeks to divide the country into haves and have-nots, pitting Australian against Australian, placing the burden unfairly on families on low incomes, on those living week to week, on the pensioners, on the sick and on the disabled. It is a budget that asks the most vulnerable in our community to do the heaviest lifting and as a result it will make our country sick and poorer, less fair, less equal and less educated.

The cruel and unnecessary cuts to schools and hospitals, pensions and payments, and tax hikes on petrol will stretch household budgets in my area, in my electorate, to breaking point.
Analysis done since the budget has shown that my community in Rankin will be harder hit by this budget than any other community in Queensland. This is also borne out by the NATSEM data that I will discuss in a moment. But, as important as that modelling is and as credible as that modelling is, the people in my area do not need economic modelling to tell them that this budget is a direct attack on them and their families.

To me, the effects of these broken promises and twisted priorities have an entirely human face. It is the pensioners who stop me in the street, worried that they will not be able to pay their bills anymore or that they will have to choose one bill over another. It is the parents already fighting to make ends meet who fear that they will not be able to afford the kids’ new uniforms when they grow out of the old ones. It is the high school students who cannot see a path to university in a world of uncapped fees. It is people like Kerri Morris, whose home I visited with the Leader of the Opposition last week.

Kerri is a single mother recovering from cancer. She has been battling to make ends meet to provide for her kids. She had to step aside temporarily from her job to focus on her health and her family. She is in and out of GP and specialist clinics all the time, and she has to pay not just for consultations now but more for prescriptions as well, and of course for fuel and parking. We calculated what the budget hit would be for Kerri from this budget. When the measures come into full effect, they will hit Kerri’s annual household budget by something like $3,800 a year. That is something like $75 per week—$75 a week less that Kerri will be able to spend on the essentials, on medicines and on giving her daughter and her other kids a good start in life.

Kerri, along with millions of other Australians on lower incomes, has been targeted by this budget for no good reason, and they will be bearing the brunt of this government’s cruel cuts and new taxes. Sadly, her story is not the exception in my area; it is the norm, and that is why locals are white-hot with anger about this government and its budget of broken promises.

One of the most heartening things from the reaction in my community, whether it be by email or at the mobile offices I have been doing, getting out and about, is that people are saying that even the measures that do not directly impact them trouble them because they are worried about their neighbour, their family member, their friend, their schools and hospitals, the teachers—they are worried about all kinds of people in the community. That says something very good about Australians because it says that, if you attack one member of our community in this way, you attack every member of the community in this way. In attacking one, you attack us all.

This budget will also have an impact on small businesses in my community and right around the country. People will not have the same level of discretionary spending that they had before this budget, and that will have a real impact on small businesses, how many people they can employ and whether or not they keep their head above water.

Last Friday, I was very pleased to welcome the shadow Treasurer to my electorate, and we had a function with the Logan Chamber of Commerce. We also went and saw the good people of Simply Beans, at Underwood, to talk about some of these issues around the budget. We also talked about the huge slump in consumer confidence brought about by the budget and by the ham-fisted way that it was previewed. The ANZ-Roy Morgan consumer confidence report measured its fastest slump since the beginnings of the global financial crisis in 2008.
Consumers are worried that they will not be able to afford the essentials anymore, and small businesses will take the hit as a result.

So this budget is a stinker for small businesses in my community, and it is devastating for local families trying to make ends meet. The NATSEM analysis that I mentioned before measures the budget's full impact on families, and it really goes to this point. It reveals that the poorest 20 per cent of homes will see their annual income fall by almost 2.2 per cent, while the richest quintile will lose only 0.2 per cent. A couple with two kids, together earning $60,000 a year, suffers a hit of $6,350 a year, more than one-tenth of their income.

A budget like this can only widen the gap between the wealthiest and the lowest paid in our economy. The depth and scale of the cuts in this budget make it clear that its political architects see rising inequality not as a challenge to overcome but as an objective to be met. Unfairness is no mistake, and it is no side-effect in this budget. The attack on low-, fixed- and middle-income earners is not accidental; it is not unavoidable and it is not inconsequential. It is a deliberate strategy that is particularly out of place given that right around the world the international economic policy environment is increasingly reducing inequality and supporting social mobility. I have spoken in this place before about mainstream economic thinkers like Miles Corak and Michael Ignatieff, who are working in this space and who argue that inequality in one generation breeds inequality in the next. Even the notoriously dry Economist has described growing inequality as 'one of the biggest social, economic and political challenges of our time'.

Traditionally, Australia has been interested in addressing these problems. Since the Eureka Stockade in the 1850s and the birth of Labor in the 1890s, we have spent a lot of time as a nation talking about fairness and inequality. So much so that the 'fair go' has worked its way into our national identity and is cited by all sides of politics—but only by this side with any credibility.

This budget is the Abbott government's most recent attempt to tear at the social fabric of egalitarianism and a fair go that has long defined this country. That is why Dr Cassandra Goldie from ACOSS has described it, accurately I think, as 'a budget to divide the nation'.

Sadly, its impact will be felt long into the future. It not only magnifies inequality today, it will ingrain inequality for many years to come. The cuts to health, schools and higher education make it harder, not easier, for our nation to develop the rich and deep pools of human capital needed to feed productivity and social mobility in the decades ahead.

The member for Wannon spoke before about being able to look our kids in the eye and not steal from their future. I cannot imagine anything that would more devastatingly steal from their future than cutting $80 billion out of schools and hospitals, and putting university out of the reach of more and more kids from low-SES households.

We cannot accept a budget that drives greater inequality in Australia. We cannot accept a budget that condemns the poor to life as second-class citizens in our own country, with no prospect of improving their lot in life. We cannot accept a budget that embeds disparities that drive people to feel that their society and their democracy are loaded against them. We cannot accept a budget founded on the twisted priorities of this government who will take from the most disadvantaged to pander to the sectional interests that saw them elected.
Let's not forget that this is a government which will impose a $7 fee on the sick while at the same time paying millionaires $50,000 just to have a baby. It is a government who will rob hundreds of thousands of families of the family tax benefit part B, but will reinstate superannuation tax concessions for the wealthiest 20,000 Australians. It is a government who will radically decrease the indexation rates for age pensioners, meaning less money for them in years to come, but can somehow manage to find $20 million to pay for a marriage counselling scheme and $100 million for a union witch-hunt. The only way to describe this budget is as an ideological attack on low-income Australians.

What makes it particularly galling is that it is an attack from a government and a coalition who have long shrieked and moaned about class warfare from the Labor Party. The people of Australia are watching as this government and this Prime Minister don the battle armour of class warfare themselves, with their sights set firmly on our most vulnerable and most disadvantaged. I want to reassure people right around the country and around my own community that we will fight against this budget and against this government who hurt them and sentenced our nation to growing inequality in the years ahead.

Those on the other side of the House try and justify this destructive budget by concocting an absurd 'budget emergency'. Let me be really clear: the budget emergency is a con. Those opposite can choose their opinions but they cannot choose the facts. The facts absolutely torpedo the so-called budget emergency. The government inherited an economy from Labor with a AAA credit rating and a stable outlook from all three major credit rating agencies, something never achieved by any Liberal government in the past, including that with Peter Costello as Treasurer. It was a budget which had gone through some substantial structural reform to the tune of $180 billion in savings over the last Labor government, with lower levels of debt than almost all comparable international economies. This government, particularly its Treasurer, worked very hard to feed the public his budget emergency con. He piled billions of dollars into new spending in the MYEFO last year, doubled the deficit, gave the Reserve Bank money they did not ask for, came up with the most pessimistic economic forecasts he could—all to try to whip up this hysteria about a budget emergency, which was just a big excuse to swing the axe harder at working people.

The good news is that Australians are seeing through this con. They are on to those opposite. They are seeing right through a government which claims to be worried about the deficit but then spends $21 billion giving paid parental leave to millionaires. They are seeing right through a government fighting to deny themselves billions of dollars in revenue from the carbon price and the resources tax. They are seeing through a government willing to finance billions of dollars in tax breaks to the wealthy and to multinational corporations. People know these are not the actions of a government gripped by a budget emergency.

The truth is that the government is in denial about this budget, and now they are in disarray. Backbenchers are bagging the budget in the paper almost every day, and they are in denial about its impact. How many times has the Prime Minister said he is not cutting schools and hospitals? Then you look at page 7 of his own budget overview and it says exactly that: $80 billion is being cut out of schools and hospitals. So Australians are finally seeing this government for what it is, and seeing the budget for what it is: an ambush on a type of Australia and the type of Australians we love.
Of course the Labor Party will not be blocking supply in the parliament. I want to thank and acknowledge the many people who have written to me and urged another course, and I am sure the member for Newcastle has been getting those emails too. I appreciate that input. But we will not be engaging in the Tea Party tactics of government shutdown and thrusting the nation into constitutional crisis. We will not be blocking supply, but we will be opposing the cruellest aspects of this budget, including the GP tax, the devastating changes to the family tax benefit and the unacceptable hit to future indexation of pensions.

Members on this side of the House are here in politics to help our citizens to lead happy and fulfilling lives with real opportunities for upward social mobility. For this reason we cannot support measures that ingrain and magnify inequality. We cannot support budget measures that deny Australians a fair system of health, education and a basic safety net, and that denies Australians tens of billions of dollars of desperately needed money for their schools and for their hospitals. We will not be part of that. That is why we will be fighting this budget and making the case for an Australia where fairness is part of the future and not just part of the past.

This is Labor's reason for being. Budgets like this are our reasons for being. And it is the reason I was sent here by the community I was born in, grew up in, live in, and love.

Mr GOODENOUGH (Moore) (18:12): In speaking to the appropriation bills, may I say that the moneys required to be appropriated from the consolidated revenue fund as part of the 2014-15 federal budget are part of the government's Economic Action Strategy to build a strong, prosperous economy, boost productivity and create thousands of new jobs. In addition to funding the day-to-day operations of the Commonwealth, the bills provide for the government's hallmark $50 billion infrastructure plan.

This budget was not framed in isolation but rather in the context of an increasingly competitive international environment with emerging economies in our region gaining prominence in the global marketplace. This is characterised by unprecedented competition for resources, energy and commodities. Never before in history has there been such a fluid flow of goods, services, trade and investment capital across international borders. Merit based economic performance increasingly defines a nation's strength. Our nation must adapt to this new paradigm through increased productivity in order to secure its long-term economic standing and maintain the standard of living for all Australians. The government's Infrastructure Investment program will provide economic benefits for all Australians.

Increased workforce participation is a key tenet of the budget. Currently, it is estimated that one in five Australians rely on welfare payments by government as their main source of income. Each year the government spends more on welfare than we spend on the education of our children, the health of our people or the defence of our nation. With an ageing population, this statistic has been projected to reach one in three people in the community reliant on government payments as their main source of income in the future. Clearly, it is unsustainable to have every two people working to support a third. Those of working age who are able to work must be expected by society to be engaged in productive employment. I do acknowledge that at times it may take time to find employment. However, I believe that there are many people who could work but are not currently engaged in employment.

From 1 July 2014, employers who hire mature age job seekers aged 50 and over who have been recipients of income support for at least six months will be paid a subsidy of $10,000
over 24 months. Employers who hire mature age job seekers on a part-time basis of between 12-29 hours per week will also be eligible for a pro rata subsidy.

The budget provides adequate opportunity for young people and mature age people alike to study at university, complete vocational education, training and apprenticeships through student loans schemes. The sum of $820 million has been allocated to expand access to higher education. For the first time, the government has extended direct financial support to include diplomas, advanced diplomas and associate degree courses as eligible courses under the loans scheme. This is an extension of the scheme that has been available to university students for many years.

Apprentices are also able to access concessional Trade Support Loans of $20,000 to assist them with their courses over a four-year apprenticeship. In my electorate, access to this new assistance program will benefit students attending vocational training facilities, including the West Coast Institute, Trades North Campus in Clarkson, the Motor Industry Training Association automotive training centre and the Electrical Group Training facility operated by the National Electrical Contractors Association. In doing this, the government is investing in a skilled workforce of the future to drive economic development.

Education is never completely free. The taxpayers of Australia ultimately bear the cost. Failure to exercise prudent management of the higher education loans scheme has seen billions of dollars written-off in potentially unrecoverable debts that ordinary taxpayers will ultimately have to bear. Through better management of the student loans system the government is exercising responsible stewardship of taxpayers' funds.

The budget delivers significant infrastructure spending at a national level as well as for my home state of Western Australia. Over the next seven years, $50 billion will be invested, including $11.6 billion of new funding through an infrastructure growth package which includes $5 billion under the asset recycling initiative and $6.6 billion in new infrastructure investments. Western Australia will benefit from a record $4.7 billion in funding between 2013-14 to 2018-19 which will build the infrastructure of the 21st century.

Congestion in our towns and cities costs the economy billions of dollars every year in lost productivity. Better roads mean less congestion, faster travel times and lower fuel costs. The government's investment in Western Australia will improve freight transport linkages to key domestic and export markets which will promote economic development for the benefit all Australians, including those living in my electorate. For example, there are future plans to connect the Neerabup industrial area to the Swan Valley bypass, which is a new $615 million highway extending from the intersection of the Reid and Tonkin highways in Malaga to the Great Northern Highway in Muchea. Construction is expected to start in late 2016. This will provide heavy vehicle access, linking the local industrial area to the mining industry in the Pilbara and Kimberley region and practically all the way to Darwin.

Similarly, the Gateway WA project is a major upgrade of the roads around Perth airport, in particular around the southern access to the airport which includes the widening and new upgraded interchanges at the Tonkin and Leach highways. The government is also committed to the $1.6 billion Perth freight link project to provide a high standard road freight connection to Fremantle port and will work with the Western Australian government to attract private sector investment in the project. The government will provide a further $350 million per annum in funding to local government authorities to assist with the upgrade and maintenance
of local roads as part of the Roads to Recovery Program, with a total investment of $2.1 billion over the five years to 2018-19. In addition, the budget provides for Black Spot funding of $500 million over the five years, targeting dangerous sections of local roads through safety improvements such as traffic signals and roundabouts. The cities of Wanneroo and Joondalup within my electorate will share in the $280.9 million in Financial Assistance Grants to local governments. These grants are untied, allowing local councils to spend the grants according to local priorities. They consist of two components: a general purpose component distributed according to population on a per capita basis, and an identified local road component distributed according to fixed historical shares.

The budget provides for an increase in defence spending to safeguard our nation’s security and to secure our economic assets in a region where neighbouring nations are also increasing military spending. The budget brings forward $1.5 billion in spending from 2017-18 into earlier years, with a plan to increase defence spending to two per cent of GDP.

The cost of health care is rising due to advances in medical treatment and care, as well as an ageing population with greater longevity and lifestyle factors. The recent Commission of Audit report has projected that over the next decade, Pharmaceutical Benefits Scheme costs will grow by 5.4 per cent per year; Medicare Benefits Schedule costs will grow by 7.1 per cent per year, and hospital costs will grow by 10.4 per cent per year. It is therefore important that the government ensures that the public health system is sustainable in the long term. The introduction of a co-payment is intended to moderate the number of visits, by acting as a reminder that each bulk-billed visit costs the taxpayer $36.30. It is important to note that the budget does not change the current safety nets that are in place for those in need who hold concession cards. The funds generated from these reforms will be used to establish a $20 billion Medical Research Future Fund to increase investment into medical research to find more effective treatments for cancer, heart disease, diabetes and other chronic diseases. Unfortunately, the resources only stretch so far, and the public health system is under a great deal of cost pressure. Therefore, it is essential to take responsible measures to keep the health system sustainable.

An increase in life expectancy by 25 years and an ageing Australian population mean that, without policy change, the cost of the age pension is projected to increase by 70 per cent over the next decade. There are no proposed changes to the age pension in this term of government. The budget provides for the existing six-monthly indexation increases to continue as normal. However, it is proposed that from September 2017 the six-monthly increases in the age pension will be linked to inflation rather than wages.

Only through responsible fiscal management and effective monetary policy can the government build a strong economy and maintain our nation’s AAA credit rating. It is important to maintain a low inflation environment and to keep interest rates low. Households with mortgages and consumers with debts will be adversely affected by rises in interest rates, which will increase the cost of living and dramatically reduce disposable income. In contrast to the Howard government's record of delivering 10 consecutive budget surpluses, the Rudd and Gillard governments burdened the nation with five cumulative budget deficits of $123 billion—the largest deficits in Australian history. Peak government debt is projected to reach $667 billion within a decade. This equates to $25,000 for every man, woman and child.
Servicing the interest on that debt is estimated at $1 billion per month, growing up to an estimated $3 billion per month if remedial action is not taken.

Based on data from the International Monetary Fund, without policy change Australia would record the fastest spending growth of the top 17 surveyed advanced economies and the third largest increase in net debt as a share of the economy between 2012 and 2018. As a result of the coalition's strategy, debt in 2023-24 is projected to be nearly $300 billion lower—$389 billion as opposed to $667 billion. This debt reduction will reduce our interest bill by around $16 billion a year in 10 years time, meaning more money for health, education, roads and support for families and seniors. The Australian economy is to a great extent reliant on mining, energy and commodity exports. These markets can be volatile, leaving our economy exposed and vulnerable to external shocks. It is therefore prudent to limit our national exposure to foreign debt. Currently it is estimated that $700 million a month is spent in servicing foreign debt.

In summary, these appropriation bills are part of a fiscally responsible budget which is linked to the government's overall economic action strategy to build a strong, prosperous economy, boost productivity and create thousands of new jobs. It is a budget which is framed for the long-term needs and challenges for the Australian nation.

Mr DREYFUS (Isaacs—Deputy Manager of Opposition Business) (18:26): What a dreadful and disappointing budget was handed down by this government on 13 May. It is a dreadful and disappointing budget because it is filled with lies and broken promises, and it has been so seen by the people of Australia right across the country. Parents, young people, pensioners—anyone that uses the services the government provides can see now what they got when they elected the Abbott government in September last year. Just as the bunting around polling booths said, 'He wins, you lose,' now Australians can see just how right that prediction was from the Australian Labor Party. Tony Abbott did win the election and Australians lost in so many ways.

We have seen from the way in which this government has tried to explain their budget to the Australian people a continuation of their empty slogans and their misrepresentations and misleading statements about the true state of the Australian budget, about the true state of the Australian economy, about the true state of our national finances. I could start by pointing to the way in which this government is wanting the comparison in their budget papers not to be, as it should be, with the Pre-election Economic and Fiscal Outlook, the document written on the eve of the election by the secretary of the Treasury and the secretary of the Department of Finance, which is the proper comparison, but rather with the false document prepared by this government which they published as the Mid-Year Economic and Fiscal Outlook, a mid-year economic and fiscal outlook in which they chose to give to the Reserve Bank of Australia $8.8 billion that the Reserve Bank of Australia had not asked for and a mid-year economic and fiscal outlook in which they chose to add to the budget deficit by almost doubling it. They achieved that by removing assumptions, removing spending caps and changing the way in which the figures are produced. It is nothing to do with Labor; this is their Mid-Year Economic and Fiscal Outlook, not Labor's. And it produced their other false figure of the $667 billion they have been quoting. I am sure we heard much of this from the member for Moore, who I heard reciting some of the government's lines in the speech which immediately preceded mine. Of course, that is another false figure. It is a figure that the government has...
produced solely for political purposes, because this is a government that can do nothing but play politics with every single aspect of the administration of the Commonwealth. It is a government which can do nothing but play politics.

This false figure of $660 billion which the government likes to tout is a figure that is said to be the level of the deficit in 2023. They never mention it is in 2023—10 years time. Of course, one would only get to it if the governments between now, 2014, and 2023 were asleep at the wheel. Perhaps this government is planning on being asleep at the wheel. There is no other way that we would get to $660 billion other than by successive governments—not merely the current short-lived government of Tony Abbott but every government between now and then—ignoring any issues about spending and ignoring, in particular, the revenue side of the budget.

What we have had from the government in this budget is not merely the falsity of their pretending that they are doing something about the deficit—and they are pretending, because in their budget papers we do not return to a surplus earlier than predicted by the Secretary of the Treasury and the Secretary of the Department of Finance in the Pre-election Economic and Fiscal Outlook. We return one year later. That is how much of an effort this government is making to deal with deficits. There is no 'debt and deficit disaster' in Australia—not a jot of it. There are issues about the collection of revenue in Australia. These issues have been building for many years and they are issues which we saw writ large over the course of the six years of Labor government, because it is the case that, over the last 21 years of Labor's budgets, all of them produced a lower tax to GDP ratio, under 22 per cent, than any of the Howard government budgets—any of the budgets over the 11½ years of the Howard government.

This is why at every turn you can see—and Australians are beginning to understand—the falsity of the approach to the economy that is represented by the Abbott government's budget, the falsity of their three-word slogans and the falsity of their slogan about a debt and deficit disaster, when there is nothing of the kind. You could only say that if you were prepared to wholly ignore the fact that we have continuing growth in Australia. We had continuing growth right through the global financial crisis, which of course the Liberals never want to mention. This is the global financial crisis that the Rudd and Gillard governments managed Australia through, with great economic skill and sound economic management. We have continuing growth, relatively low unemployment and, compared to the whole of the rest of the Western world, the whole of the OECD, relatively low debt to GDP ratio—about a seventh of the OECD average.

The government does not want to state the true picture to the Australian people. The government never wants to state the true picture to the Australian people. It wants to pretend that it kept its promises to the Australian people. What a nonsense! And the Australian people have seen through that. They have seen through it because they remember that, before the election, Tony Abbott and his ministers said that there would be no cuts to education, no cuts to health, no new taxes, no cuts to the ABC—and no change to pensions; I almost forgot. What have we seen? This is just a selection of the false promises that were made before the election by Tony Abbott—

The DEPUTY SPEAKER: The member for Isaacs will use proper titles.
Mr DREYFUS: by the person who is now the Prime Minister but who was then the Leader of the Opposition. The Australian people have seen through the false promises of the Leader of the Opposition, who is now the Prime Minister, before the election. They have seen through the false promises made by the gang with whom he made all sorts of promises to the Australian people. They have seen through them because, far from there being no cuts to education and health, there is an $80 billion cut to education and health. And this has been recognised as such by the Premier of Queensland, the Premier of New South Wales and the Premier of Victoria—all of whom are Liberal premiers. That is why the Liberal Premier of New South Wales said in response to the budget that it is a kick in the guts to New South Wales. That is not the Labor Party talking; it is the Liberal colleague of the member for Moore and the federal Liberal Party saying that it is a 'kick in the guts to the people of New South Wales'. Well might a senior Liberal, who was quoted in the media on Monday, have said that this budget is a 'stinking carcass' around the neck of this government. It is a stinking carcass around the neck of this government and it is going to remain a stinking carcass around the neck of this government right through to the next election, which cannot come soon enough.

I want to say a few things about the disgraceful cuts in the two portfolio areas that I have responsibility for, which are the Attorney-General's portfolio and the Arts portfolio. I am not by any means hoping to achieve in the six minutes which remain to me a comprehensive list of all the disgraceful cuts we see in both these portfolio areas in this budget, but I want to start with the further cuts to legal assistance—how disgraceful at a time when there is rising demand for legal assistance. I am talking about the services provided by the eight legal aid commissions of the states and territories; the legal services provided by the 138 community legal centres that are funded by the Commonwealth of Australia; the environmental defenders offices, which have been defunded by this government; and the legal services that are provided by the eight Aboriginal and Torres Strait Islander legal services and the 14 family violence centres, all of which are wholly funded by the Commonwealth of Australia because they serve the Indigenous community of our country. All legal aid services suffered cuts in the Mid-Year Economic and Financial Outlook in the face of the current Attorney-General having said in the lead-up to the election how much he supported the legal assistance sector.

Well, the legal assistance sector now understand just how much that implied promise of support meant. They understand only too well the attitude of this government to legal assistance. This is an Attorney-General who has not even deigned to visit community legal centres across Australia. He went to Caxton Community Legal Centre, in Brisbane, to do a book launch and then said at the last Senate estimates that he thought that it had a large Indigenous practice—which it does not. That is how much he knows. He has declined to meet with the peak bodies in the legal assistance sector—the National Association of Community Legal Centres and the National Aboriginal and Torres Strait Islander Legal Services—because he is not interested. And that has been reflected in this budget by a further cut of $15 million from the state and territory legal aid commissions. This is an extraordinary policy decision at a time when all people associated with the legal assistance sector or the legal profession, or any clients of the legal profession—which of course is potentially all Australians—know that there is unmet legal need. Everybody knows that there is a rising demand for legal services and everybody knows that the disgraceful changes to criminal laws by conservative state governments across Australia have increased the need for legal services.
This is not the time to be cutting the legal assistance sector; it is a time to be increasing the services which are provided to Australians.

I will not dwell at length on some of the other cuts and some of the other agencies that are going to be abolished in the proposals that we see in this budget. The government has ripped $10 million out of privacy and freedom of information services and announced that it is going to abolish the Office of the Information Commissioner and, with it, the Freedom of Information Commissioner. Apparently those functions henceforth are going to be provided by the Administrative Appeals Tribunal as to merits review, the advice function is going to be handled by the Attorney-General's Department and the complaints function is going to be handled by the Commonwealth Ombudsman, none of which has been given any additional funding. That tells you all you need to know about the attitude of this government to freedom of information and, dare I say it, to privacy. The Privacy Commissioner has survived the axe but is to be sent off to work somehow at the Human Rights Commission, which has also received no additional funding; in fact, it has received less funding in this budget. We have learnt that not only is there to be a full-time Human Rights Commissioner—Mr Tim Wilson, who was appointed by this government before Christmas without any advertising and without any search process—but the commission has been told that it is to receive no new funding in this budget; in fact, there is a cut of $1.7 million. So the Privacy Commissioner is being sent to the Human Rights Commission, which has been told that it has to make do with less.

Part of that, disgracefully, is that there is no longer going to be a full-time Disability Discrimination Commissioner, a role which has been filled by Graeme Innes with such distinction over many years. He has done an outstanding job over the last several years as Australia's first ever full-time Disability Discrimination Commissioner. I record the thanks of the people of Australia to Graeme Innes for that good work he has done for so long. He has been an extremely powerful advocate for people with a disability. He has worked hard every day to ensure that people with a disability have access to the same rights and opportunities as all Australians.

In the 1½ minutes which remain to me—I am going to be speaking about this elsewhere, and I already have—I come to the slashing of the arts budget in this budget. Senator Brandis has had the gall to suggest that the arts budget and the arts community of Australia in fact did very well—that is the way he put it—out of this budget. His Prime Minister tried to back him up with this at the publisher's dinner last Friday night in Sydney, saying also that if it had not been for George Brandis's advocacy for the arts sector then the cuts would have been worse. Contemplate that. That is what this Prime Minister wants to do to the arts community of Australia. He wants to make more cuts, and he is saying that George Brandis held him back. I do not thank Senator George Brandis for his efforts in this regard.

Labor provided an additional $200 million to the arts in the 2013 budget to accompany the first national cultural policy that we had seen in this country for 20 years, something that was welcomed by arts communities across Australia, and the response of this new government is to slash and burn. We have seen cuts to the Australian Film, Television and Radio School, a cut of $25 million from Screen Australia, the complete abolition of the Australian Interactive Games Fund—how shortsighted is that—the abolition of the Get Reading! program and the abolition of the Indigenous Languages Support program. What a disgrace. (Time expired)
Mr CRAIG KELLY (Hughes) (18:41): It was very interesting to listen to the member for Isaacs give a long run-through of things that have been cut. But he does not seem to get it. He does not seem to understand that the budget we have inherited forces this government to find $1 billion every single month just to pay the interest. Imagine what could be done with that billion dollars every month. In a single day that is $33 million, every single day. In the 15 minutes I have to speak, the interest bill this country would have paid would have been $350,000. That is the legacy we have inherited from six years of the previous Labor government: the obligation to find the money to pay that interest. Seventy per cent of that money actually goes out of the country because we have borrowed that money from foreigners. We have borrowed that money from overseas. So every single 15 minutes we have to raise $350,000 just to pay the interest.

Instead of members of the opposition coming into this chamber, standing at the dispatch box, apologising for their incompetence and apologising for their waste, we get these diatribes of complaints. The most concerning complaint that I get is the absolute hypocrisy we hear about when they whinge about the cuts, especially when they are blocking the repeal of the carbon tax, which will put $550 per annum back in the pockets of the average household in this country. We hear about how terrible the $7 co-payment is. But they are blocking a $550 cut. If the average household has 80 trips to the doctor, that is what it would pay for. That is what the repeal of the carbon tax would cost. Instead we get them coming in here whingeing away about these cuts when they themselves refused to repeal the carbon tax.

In the time available in this debate on the appropriations bills I want to go on about one of the effects of the carbon tax in my electorate of Hughes. We know that the carbon tax forces up electricity prices, just like a whole other range of great and well-thought-out green schemes like the RET and other variable schemes.

The fact is the carbon tax is a tax on electricity and that forces up the price of electricity. So what do consumers do when the price of electricity rises, especially when they have to heat their homes in winter? They simply look for alternatives. One option is people elect either to heat their house or to eat. There is another option: in a case that happened recently in my electorate, a family could not afford their electricity bills so what they did was get some coal and they warmed their house with coal to try and keep the kids warm. But they forgot to open the windows and these young kids were poisoned by carbon monoxide. They had to be rushed off in a critical condition to Liverpool Hospital. These young children could have died. This is the effect increasing electricity prices has.

The other option people have, especially in the west and south-west of Sydney, when their electricity prices go up because of the taxes that the previous Labor government put on and refused to repeal, is to go out to the bush, grab some wood, bring it home and burn it in their open fireplace. When you burn wood, you release what is known as particulate matter. Particulate matter are the very fine particles of ash and dust and soot that go into the environment when you burn fossil fuel or when you burn wood. In fact more than 50 per cent of particulate matter in Western Sydney is caused by people burning wood in their fireplace at home. Why is particulate matter of a concern? It is only recently that the World Health Organization has declared that particulate matter is carcinogenic. We know from health experts that particulate matter causes lung cancer, it causes cardiovascular disease, it causes
asthma, it causes as bronchitis—a whole range of different illnesses and diseases. We also
know that children are the most susceptible to particulate matter pollution.

Particulate matter pollution is of particular concern in Western Sydney because Western
Sydney has a unique topography. It has the mountains to the west, high ground to the north
and the south and that simply makes the air pollution worse in Western Sydney because it gets
trapped, it accumulates and it circles inside the basin for several days. In fact, it has been said
that if you were designing a city, for air pollution Sydney would be one of the last places you
would decide to put a city.

We have some statistics of the harm that particulate pollution was causing before the
carbon tax came in. Back in 2003 the New South Wales government stated that particulate air
pollution in Sydney causes between 643 and 1,446 deaths in Sydney alone. That is up to
1,400 deaths in Sydney caused by air pollution and they said that was a conservative estimate.
To put an economic price on it, as well as 1,500 deaths they are talking about close to $1
billion or up to $6 billion per annum. That was almost a decade ago. What has happened the
air pollution readings in Western Sydney since the carbon tax has come in? We know people
are going out and they are looking for alternatives. They are burning more wood.

I went to the air quality monitoring reports which are produced by the New South Wales
government and particulate matter is measured in two ways: there is what is called PM10 and
there is also what is called PM2.5, which is the smaller of the two. What we found was that
since the start of the carbon tax, particulate matter PM10, as measured in Liverpool in my
electorate, has increased by 25 per cent. But it is even worse for particulate matter that is
measured in PM2.5—that has increased by 40 per cent. So what the carbon tax is doing is
making the air quality in Western Sydney worse. The carbon tax is polluting the environment
in Western Sydney.

It is concerning how high those increases have been and how high are the levels we are at.
The World Health Organization has a recommended standard for particulate pollution of an
annual average of no more than 20 micrograms per cubic metre. That is what you should not
exceed. In Liverpool, here in Western Sydney, we are now at 21.1 micrograms per cubic
metre—so the constituents of my electorate are now breathing air that is over and above what
the World Health Organization standards recommend for PM10. The other one is PM2.5,
which the World Health Organization says is more dangerous. Since the increase of the
carbon tax, with more people burning wood to keep themselves warm in the winter, we now
have PM2.5 measurements that are at dangerous levels. We have a standard here in Australia
that says that the annual average should not be more than eight micrograms per cubic metre.
With that big increase in air pollution, we are now up to 9.5 micrograms per cubic metre for
PM2.5. We are above the levels that the World Health Organization and the Australian
standards recommend—because of the carbon tax and these other schemes that are forcing up
the electricity prices. This is causing pollution, it is causing disease and, given the previous
statistics and given the substantial increase in levels, I am in no doubt that it is also causing
death. And yet the opposition refuse to meet their election promise to repeal the carbon tax—
to eliminate the carbon tax. Shame!

In the time left, I would like to briefly comment on some of the other terribly misleading
statements that we have heard from members of the opposition. We in this place have an
obligation, and the obligation is that we have to make sure that we enact policies that ensure
we pass our nation on to our children and to our grandchildren in a better condition; with more freedom and with more opportunity than we had when we inherited it from our forefathers. But what we are doing is loading them up with record levels of debt that have never before been seen in this country. We talk about that billion dollars that goes out every month. But if nothing is done, we know where the trajectory is taking us. In 10 years time, that debt—if nothing is done and no changes are made—will blow out to $667 billion. And then the interest payments we have to find will not be $1 billion a month; they will be $3 billion a month—$36 billion a year. That is what we are passing on to our children and to our grandchildren: to have to find the money to pay the interest on the debt that this government racked up, and that this opposition wants us to continue to rack up.

I would also like to quickly comment on some of the changes that have been made to education and to HECS fees. I received an email today which was very disappointing, about a lady in my electorate who had been misled. She wrote to me and said we were stealing her children's future; we were taking away their future—because she had listened to all the propaganda from the opposition.

Going and getting a university education is the best deal that you could possibly get. We have to remember: when these changes are made, the average student will still pay only half the cost of their education. We hear that the average HECS debt today is around $20,000. We admit that that is a significant amount, but the figures show that, over their lifetime, someone who gets a degree will earn a million dollars more than someone who leaves in year 12 and goes on with no further education.

So here is the deal that we are offering students today. You can get into a university without paying one cent upfront. You do not need one dollar. The government will lend you that money, and when you start to work and you are earning above $50,000, you will then have to pay it back—but you will not have to pay it all back; you will only have to pay back half of it, on average. And for that, over your lifetime, you, on average—and there will be people who will do a lot better than that—will be able to earn $1 million more.

This is an opportunity that any young kid should be grabbing with both hands. But we have the opposition whingeing and whining, and misleading young people by telling them that they cannot have this opportunity and that somehow what we are doing takes away that opportunity. It does the exact opposite. The changes we are making will give 80,000 more places by extending that same deal to people who want to do diplomas or who want to obtain a degree from a non-registered university, and also to people who want to do a trade course. We are extending opportunity to the young people of our country. And Labor are telling young people the complete opposite. They are telling untruths.

Debate adjourned.

Federation Chamber adjourned at 18:57.
QUESTIONS IN WRITING
Hot Issues Brief
(Question No. 56)

Mr Feeney asked the Minister representing the Minister for Defence, in writing on 13 February 2014:

(1) Have any Hot Issue Briefs been received by the Minister from the Minister’s department since the federal election in 2013; if so, how many.

(2) Has the Government changed the policy in respect of the public release of Hot Issue Briefs, including the timeframe within which this must occur; if so, can the Minister provide the new policy.

Ms Julie Bishop: The Minister for Defence has provided the following answer to the honourable member's question:

(1) Yes. As at 5 May 2014, 47 had been received.

(2) Following the election, the Department proposed suspending the public release of Hot Issues Briefs, pending further consultation with the Minister's Office. The Office agreed to this approach.

On 5 May, the Department sought advice from the Minister on this matter. This matter is still under consideration.

Subclass 457 Visas
(Question No. 98)

Mr Kelvin Thomson asked the Minister for Immigration and Border Protection, in writing, on 12 May 2014:

What is the unemployment level of Australian (a) pilots, (b) engineers, and (c) flight attendants, and why are these professions on the list of visa sub-class 457 shortages.

Mr Morrison: The answer to the honourable member's question is as follows:

The question of the unemployment level of Australian (a) pilots, (b) engineers, and (c) flight attendants should be addressed to the Minister for Employment, Senator the Hon Eric Abetz.

Applicants for the Temporary Work (Skilled) visa (subclass 457) may nominate occupations on the Consolidated Sponsored Occupation List (CSOL).

The CSOL currently includes all occupations in skill levels 1 to 3 of the Australian and New Zealand Standard Classification of Occupations, except where there are immigration concerns with respect to an occupation, or integrity issues.

An applicant for the subclass 457 visa must be sponsored by an approved business. A business can sponsor someone for this visa if Australian workers are unavailable to undertake the skilled work.

Subclass 457 Visas
(Question No. 99)

Mr Kelvin Thomson asked the Minister for Immigration and Border Protection, in writing, on 12 May 2014:

What is the unemployment level of Australian truck drivers, why is this occupation on the list of visa sub-class 457 shortages, and if there is a shortage of truck drivers, why has funding for Registered Training Organisations to teach Driver Operations courses been cut.
Mr Morrison: The answer to the honourable member’s question is:

The question of the unemployment level of Australian truck drivers should be addressed to the Minister for Employment, Senator the Hon Eric Abetz.

Applicants for the Temporary Work (Skilled) visa (subclass 457) may nominate an occupation on the Consolidated Sponsored Occupation List (CSOL).

The CSOL currently includes all occupations in skill levels 1 to 3 of the Australian and New Zealand Standard Classification of Occupations, except where there are immigration concerns with respect to an occupation, or integrity issues.

The occupation Truck Driver (ANZSCO 733111) is not on the CSOL. The occupation of Truck Driver can be sponsored through the Labour Agreement programme which provides a tailored skilled migration arrangement for businesses and sectors with specific needs that sit outside the mainstream skilled migration programme. Businesses seeking access to a labour agreement need to demonstrate there is genuine and significant demand for the nominated occupation and that this demand cannot be met from within the Australian labour market.

The question of the funding level for particular training courses should be addressed to the Minister for Industry, the Hon Ian Macfarlane.

Fair Work Building and Construction
(Question No. 116)

Mr Kelvin Thomson asked the Minister representing the Minister for Employment, in writing, on 13 May 2014:

(1) Is the Minister aware that the Director of Fair Work Building and Construction (FWBC), Mr Nigel Hadgkiss, said that the FWBC was taking its focus away from employee entitlements and recovery of unpaid wages to concentrate on its ‘core business’ of unlawful industrial action and ‘general thuggery’ on worksites (Senate Education and Employment Legislation Committee, Estimates, 27 February 2014, pages 47-54).

(2) Is it a fact that the functions of the Commissioner as set out in Section 10 of the Fair Work Act 2009 include the following in respect of all building industry participants, including employers, monitoring compliance with designated building laws and the Building Code:

(a) inquiring into and investigating any act or practice that may be contrary to a designated building law, a safety net contractual entitlement or the Building Code, and

(b) commencing proceedings in a court, or to make applications to the Fair Work Commission, to enforce designated building laws and safety net contractual entitlements.

(3) Will the Minister issue a direction to the FWBC under Section 11 of the Act to ensure that the FWBC investigates and prosecutes suspected contraventions of the laws applying to employers in the industry as well as those relating to employees and trade unions.

Mr Pyne: The Minister for Employment has provided the following answer to the honourable Member’s question:

(1) Yes.

(2) Yes.

(3) No. Fair Work Building and Construction investigates and prosecutes breaches of relevant workplace relations laws by any building industry participant, including employers, workers and unions.
Wages and entitlements matters lodged with Fair Work Building and Construction may be referred to the Fair Work Ombudsman. This is appropriate given the experience and expertise of the Fair Work Ombudsman in responding to such matters across all industries.

**Minister for Defence**  
(Question No. 141)

Mr Danby asked the Minister representing the Minister for Defence, in writing on 13 May 2014:

On (a) how many occasions, and (b) what date(s), has the Minister met with Australian Water Holdings Pty Ltd chief executive Mr Nick Di Girolamo, and can the Minister provide the nature of each meeting.

Ms Julie Bishop: The Minister for Defence has provided the following answer to the honourable member's question:

(a) None.

(b) Not applicable.