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SITTING DAYS—2013

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House of Representatives Office holders

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Deputy Speaker—Hon. Bruce Craig Scott MP
Second Deputy Speaker—Mr Steven Georganas MP

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

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

Party Leaders and Whips
Australian Labor Party
Leader—Hon. Julia Eileen Gillard MP
Deputy Leader—Hon. Wayne Maxwell Swan MP
Chief Government Whip—Hon. Joel Andrew Fitzgibbon MP
Government Whips—Ms Janelle Anne Saffin MP and Mr Ed Husic MP

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

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

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<tr>
<td>Washer, Malcolm James</td>
<td>Moore, WA</td>
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<td>Wilkie, Andrew Damien</td>
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<td>Windsor, Anthony Harold Curties</td>
<td>New England, NSW</td>
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<td>Wyatt, Kenneth George</td>
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<tr>
<td>Zappia, Tony</td>
<td>Makin, SA</td>
<td>ALP</td>
</tr>
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</table>

**PARTY ABBREVIATIONS**

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

**Heads of Parliamentary Departments**

Clerk of the Senate—R Laing
Clerk of the House of Representatives—B Wright
Secretary, Department of Parliamentary Services—C Mills
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<td><strong>Prime Minister</strong></td>
<td>The Hon Julia Gillard MP</td>
</tr>
<tr>
<td>Minister Assisting the Prime Minister on Digital Productivity</td>
<td>Senator the Hon Stephen Conroy</td>
</tr>
<tr>
<td>Minister Assisting the Prime Minister on Asian Century Policy</td>
<td>The Hon Dr Craig Emerson MP</td>
</tr>
<tr>
<td><strong>Minister for Social Inclusion</strong></td>
<td>The Hon Mark Butler MP</td>
</tr>
<tr>
<td>Minister Assisting the Prime Minister on Mental Health Reform</td>
<td>The Hon Mark Butler MP</td>
</tr>
<tr>
<td>Minister for the Public Service and Integrity</td>
<td>The Hon Gary Gray AO MP</td>
</tr>
<tr>
<td>Cabinet Secretary</td>
<td>The Hon Jason Clare MP</td>
</tr>
<tr>
<td>Minister Assisting the Prime Minister on the Centenary of ANZAC</td>
<td>The Hon Warren Snowdon MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Prime Minister</td>
<td>Senator the Hon Jan McLucas</td>
</tr>
<tr>
<td><strong>Treasurer</strong> (Deputy Prime Minister)</td>
<td>The Hon Wayne Swan MP</td>
</tr>
<tr>
<td><strong>Minister for Financial Services and Superannuation</strong></td>
<td>The Hon Bill Shorten MP</td>
</tr>
<tr>
<td>Assistant Treasurer</td>
<td>The Hon David Bradbury MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Treasurer</td>
<td>The Hon Bernie Ripoll MP</td>
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<tr>
<td><strong>Minister for Broadband, Communications and the Digital Economy</strong></td>
<td>The Hon Stephen Conroy</td>
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<td>The Hon Warren Snowdon MP</td>
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<td>The Hon Dr Mike Kelly AM MP</td>
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<tr>
<td>Parliamentary Secretary for Defence</td>
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<tr>
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<tr>
<td>Minister for the Arts</td>
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<td>Minister for Sport</td>
<td>Senator the Hon Kate Lundy</td>
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<tr>
<td><strong>Minister for Infrastructure and Transport</strong> (Leader of the House)</td>
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<tr>
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<td>The Hon Catherine King MP</td>
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<td><strong>Minister for Families, Community Services and Indigenous Affairs</strong></td>
<td>The Hon Jenny Macklin MP</td>
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<tr>
<td><strong>Minister for Disability Reform</strong></td>
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<td>The Hon Mark Butler MP</td>
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<td>The Hon Julie Collins MP</td>
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<tr>
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<td>Senator the Hon Jan McLucas</td>
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<td><strong>Minister for Trade and Competitiveness</strong></td>
<td>The Hon Dr Craig Emerson MP</td>
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<tr>
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<tr>
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<td>The Hon Kelvin Thompson MP</td>
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<tr>
<td><strong>Minister for Sustainability, Environment, Water, Population and Communities</strong></td>
<td>The Hon Tony Burke MP</td>
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<tr>
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<td>Senator the Hon Don Farrell</td>
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<td>Minister for Small Business</td>
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<tr>
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<td>The Hon Greg Combet AM MP</td>
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<td>The Hon Greg Combet AM MP</td>
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<tr>
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<td>The Hon Tanya Plibersek MP</td>
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<tr>
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<td>The Hon Warren Snowdon MP</td>
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<td>Minister for Immigration and Citizenship</td>
<td>The Hon Brendan O’Connor MP</td>
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<tr>
<td>Attorney-General</td>
<td>The Hon Mark Dreyfus QC MP</td>
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<td>Minister for Emergency Management</td>
<td>The Hon Mark Dreyfus QC MP</td>
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<tr>
<td>Minister for Human Services</td>
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<td>Minister for Home Affairs</td>
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<td>Minister for Justice</td>
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<tr>
<td>Minister Assisting on Queensland Floods Recovery</td>
<td>Senator the Hon Kim Carr</td>
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<td>Parliamentary Secretary for Education and Skills</td>
<td>Senator the Hon Jacinta Collins</td>
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<tr>
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<td>The Hon Yvette D’Ath MP</td>
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<td>Parliamentary Secretary for Health and Ageing</td>
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<td>Parliamentary Secretary for Mental Health</td>
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<tr>
<td>Parliamentary Secretary for Higher Education and Skills</td>
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<td>The Hon Tony Abbott MP</td>
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<td>Senator Arthur Sinodinos</td>
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<tr>
<td><strong>Shadow Minister for Foreign Affairs</strong></td>
<td>The Hon Julie Bishop MP</td>
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<tr>
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<tr>
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<td>The Hon Teresa Gambaro MP</td>
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<tr>
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<td>The Hon Warren Truss MP</td>
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<tr>
<td>(Leader of The Nationals)</td>
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<tr>
<td>Shadow Parliamentary Secretary for Roads and Regional Transport</td>
<td>Mr Darren Chester MP</td>
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<tr>
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<td>Senator the Hon Eric Abetz</td>
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<tr>
<td>(Leader of the Opposition in the Senate)</td>
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<tr>
<td>Shadow Minister for Employment Participation</td>
<td>The Hon Sussan Ley MP</td>
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<tr>
<td><strong>Shadow Minister for the Arts</strong></td>
<td>Senator the Hon George Brandis SC</td>
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<td>(Deputy Leader of the Opposition in the Senate)</td>
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<tr>
<td>Shadow Minister for Justice, Customs and Border Protection</td>
<td>Mr Michael Keenan MP</td>
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<tr>
<td>Shadow Parliamentary Secretary to the Shadow Attorney-General</td>
<td>Senator Gary Humphries</td>
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<tr>
<td><strong>Shadow Treasurer</strong></td>
<td>The Hon Joe Hockey MP</td>
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<tr>
<td>Shadow Assistant Treasurer and Shadow Minister for Financial Services and Superannuation</td>
<td>Senator Mathias Cormann</td>
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<tr>
<td>Shadow Parliamentary Secretary for Tax Reform</td>
<td>The Hon Tony Smith MP</td>
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<td>The Hon Christopher Pyne MP</td>
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<tr>
<td>Shadow Parliamentary Secretary for Regional Education</td>
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<td>Shadow Parliamentary Secretary for Northern and Remote Australia</td>
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<tr>
<td>Title</td>
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<tr>
<td>Shadow Minister for Local Government</td>
<td>Mr Don Randall MP</td>
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<tr>
<td>Shadow Parliamentary Secretary for the Murray-Darling Basin</td>
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<tr>
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<tr>
<td>Shadow Minister for COAG (Chairman, Scrutiny of Government Waste Committee)</td>
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<tr>
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<td>Senator the Hon Michael Ronaldson</td>
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<tr>
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<tr>
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<tr>
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<tr>
<td>Shadow Minister for Productivity and Population</td>
<td>Mr Scott Morrison MP</td>
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<td>The Hon Teresa Giambaro MP</td>
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<tr>
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<td>Mrs Sophie Mirabella MP</td>
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<tr>
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<tr>
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<td>The Hon John Cobb MP</td>
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<tr>
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<td>The Hon Bruce Billson MP</td>
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Tuesday, 5 February 2013

The SPEAKER (Ms Anna Burke) took the chair at 14:00, made an acknowledgement of country and read prayers.

STATEMENTS ON INDULGENCE

Australian Natural Disasters

Ms GILLARD (Lalor—Prime Minister) (14:01): Members of the House will know that many Australians have lived through a summer of sorrow. Seven people were killed as a result of severe weather and flooding in Queensland. One resident was killed in the Seaton bushfires in Victoria. We lost two firefighters—a Victorian volunteer died in Tasmania and another firefighter died near the Seaton fire. Many Australians have lost homes and possessions, and many will not sleep at home tonight or for some time yet.

Through summer, it has been very important for those communities to know that all Australians are thinking of them, and I have taken that message to them personally. On 7 January, I visited and spoke to affected families in Tasmania. In Dunalley I toured the site of the primary school which had been burned to the ground. There I met Billie Hassett, a young girl—she is nine—and her mum, Sharee. Billie’s school had been burned and she was looking at its ruins. She had actually been told at midnight the night before that they had lost their home as well. Sharee returned to Dunalley to clean up, leaving Billie to stay with friends, but Billie would not eat and would not stop crying. Mum could not get Billie to town by car, so friends brought her daughter to her by boat. Billie told me that, when she got back to town and got back to Mum, she found that her house—next door to a bakery which had exploded in the fire—was in fact still there.

I visited Coonabarabran on 17 January. While I was there, I met with local firefighter Bob Fenwick and his wife Jeannette. They had lost their house in the fire—the fire Bob had fought. I visited Seaton and Heyfield on the 28th. Over morning tea with Graham Lord and his CFA brigade, I learned about their incredible success saving homes in what they called a guerrilla firefight.

When I visited Bundaberg and surrounding areas on the 31st, I saw the extensive flood damage there. I will not soon forget Doug Ambrose, who has been the principal of Bundaberg East State School for 21 years, or Janelle Fielding, the manager of the Bargara Bowls Club, where a mini-tornado had ripped the roof from the building. They shared with me the heartache of the whole Bundaberg region.

This is a time beyond politics and a time to pull together, so I acknowledge the efforts of state leaders and members of this House whose communities have been affected, particularly those who hosted me on visits to their communities—the member for Gippsland, the member for Hinkler, the member for Parkes and the member for Lyons, as well as the premiers of Tasmania, Victoria and Queensland. I found the experience of visiting with them a sobering one. I was returning to some places for the second time—I had been there in circumstances of natural disaster before.

I want to thank the emergency services and Australian Defence Force personnel who responded to these events. Brigadier Greg Bilton was appointed commander of a joint task force to assist Queensland authorities and, in the Bundaberg region alone, four Black Hawks, two C130s, a C17 Globemaster aircraft and over 200 personnel have been in the air and on the ground.

The government is also directly helping those in need. Under the Natural Disaster
Relief and Recovery Arrangements, the Commonwealth and the states are delivering support and assistance to affected communities across Australia right now. This includes personal hardship and distress assistance for affected individuals and families who need immediate financial help, along with access to concessional loans for small businesses and primary producers. It includes funding for counterdisaster operations measures, from supporting evacuation centres to helping councils and states with emerging public health and safety matters in the cleanup phase. It includes funding to restore essential public assets and repairing damaged public infrastructure, such as roads and bridges, in the weeks and months to come.

In the worst affected areas, we have now activated the Australian government disaster recovery payment and the disaster income recovery subsidy. In the past month, this has, through payments of $1,000 for eligible adults and $400 for eligible children, put more than $50 million into the bank accounts of people severely affected by these disasters.

I am always in awe of the courage and common sense of the Australian people and never more so than in the hardest circumstances. For many, this summer—the summer we are living through—has been a summer of sorrow. But it has also been a summer of survival. I can reassure the House that the communities I visited are resilient and united and I can reassure those communities that we will help them rebuild and recover: that they will not be alone.

Mr ABBOTT (Warringah—Leader of the Opposition) (14:07): I join with the Prime Minister to acknowledge the dangerous summer that we are still living through and also to point out that the worst of mother nature tends to bring out the best of human nature right around our country, as tens of thousands of Australians rise to the challenges of the natural environment they face.

The Prime Minister, the parliament, the coalition—all Australians—salute the emergency services workers who have done so much to respond to the ravages of fire and flood. Obviously we salute all the volunteer firefighters; we salute the other volunteers from the Salvation Army, from the Red Cross and elsewhere who are rallying to help victims. We particularly salute the community volunteers who come from nowhere at times like this to help their fellow Australians—the mud army that has been mobilised in Bundaberg and other parts of Queensland and northern New South Wales; neighbours helping neighbours to recover from these heartbreaking circumstances.

Every state and territory with the exception of the ACT has been affected by fire. In Tasmania, many homes have been lost on the Tasman Peninsula, particularly at Dunalley. In New South Wales, many homes have been lost, particularly around Coonabarabran. Much damage has been done in Victoria—in Gippsland in particular—and South Australia, the Northern Territory and Queensland have also been affected. Even now Western Australia is being affected by fires. In Bundaberg—an area, a city, a region devastated by floods just two years ago—they have experienced the worst floods on record; what they believe was a one in 200-year flood event, with 7,500 people directly affected and 3,000 homes flooded. Our hearts go out to everyone affected by this terrible tragedy. I particularly salute the local member, the member for Hinkler, Paul Neville, who has not just been helping to organise relief and emergency assistance but also been personally helping—and indeed he carries the scars of his assistance in the floods over
the weekend. New South Wales, too, has had record floods on the Clarence River and some 2,000 residents have been evacuated in Grafton and surrounding areas.

I acknowledge the swift response of the national government and I acknowledge the efforts of the Army, magnificent as always, and the good work of Centrelink. I know the farmers and the business people from flood and fire affected areas are looking forward to the relief packages which are normally put in place for business. If I could make one suggestion: I think it would help if these business relief packages were extended to businesses that have been commercially impacted as well as physically impacted by flood and fire, because recovery is not just a matter of physical rebuilding; it is also a matter of economic rebuilding. That is something that has to be of concern to this parliament.

It has been a difficult and dangerous summer for many Australians. Our hearts go out to those affected and we are resolved to do whatever we reasonably can to help put those people back on their feet.

Mr SWAN (Lilley—Deputy Prime Minister and Treasurer) (14:11): I wish to support the remarks of the Prime Minister and the Leader of the Opposition, because this has been another summer of tragedy—particularly in my home state of Queensland. There have been all manner of tales of great acts of bravery and neighbourly support; neighbour supporting neighbour, community supporting community. We have heard about some of that from the Prime Minister and the Leader of the Opposition today. Sadly, in Queensland, seven lives have been lost, and there are many stories of individual hardship and hardship to business.

I pay tribute to the work of the SES and the police, the Army, Centrelink workers and volunteers and also members of parliament—particularly the member for Hinkler in relation to Bundaberg, because the situation there became very serious through Sunday and Monday of the week before last and it did require a huge effort to save lives during the night. The deployment of our Black Hawk helicopters and also helicopters from state emergency services in Queensland did an enormous amount to save lives during that difficult time.

The destruction in that region reminded me very much of what I saw when we went into the region when it was impacted upon by Cyclone Yasi back in 2011—the huge destruction of houses and the levels of the floodwaters. It was a very distressing sight and it will remain distressing for the thousands of people in those areas. I do pay tribute in particular to the very quick response of our defence forces, who have been working on a bridge across the river up in Bundy, doing what they can to assist our community—and they are receiving enormous community support for that. But it is not just Bundaberg; it is the wider region of Wide Bay and the many smaller towns which have been very hard hit.

In the south-east, fortunately we did not have the destruction that we saw in 2011. I have this vivid memory of going out to Enid Street in Goodna in the electorate of Oxley. I visited there with the member for Blair on Monday morning of last week because we thought the waters were probably going to rise, and once again the thousands of homes there would have gone under. I was walking down the street and these beefy blokes wandered along, and I asked what was going on and they said: ‘We're the western mud army. We've just redeployed and reactivated from 2011.’ People were turning up before the floodwaters had arrived to assist people take the furniture and fridges and so on out of their houses. As it turned out, they all did
pack-up; but that was not required because the worst did not happen.

I think we would all agree that the federal government—working with state governments, working with local governments and working with local community organisations—have a responsibility to do everything we can, not just to deal with the emergency but also to help these communities reconstruct themselves. Certainly the federal government is there in the way in which we were there in 2011, working with the state and local governments to make sure we do our very best. I think there is general agreement that the responsibilities and structures that we put in place in 2011 are serving us well again, as we go through a very substantial reconstruction in Queensland. But, overall, whilst it was a tragedy for so many people across our country, we saw the great community spirit of neighbour coming out and helping neighbour and of communities coming together. It says the very best about Australia.

Mr TRUSS (Wide Bay—Leader of The Nationals) (14:15): I rise to support the comments of the Prime Minister, the Deputy Prime Minister and the Leader of the Opposition in recognising the summer of fighting fires, cleaning up after devastating floods and mourning lost loved ones that has once again confronted Australia this year. Invariably, it is in regional areas that the biggest costs are counted. Fortunately, Ipswich and Brisbane were spared the worst of the flooding this time around, but I acknowledge there has been very substantial damage and loss of property in those areas too.

On Australia Day I was officiating at a naturalisation ceremony at Sunshine Beach in my electorate, and someone read the famous Dorothea Mackellar poem about 'droughts and flooding rains'. There was light rain on the roof, but we were all warned what to expect as the day wore on. I thought back to just a week or two earlier, when I had been in Tasmania, as the Prime Minister mentioned, visiting people there who had suffered such severe loss of property and homes and the loss of life associated with the fires in that state. I was also thinking of the great heat wave right across Australia this summer—although when I was in Tasmania it was snowing on Mount Wellington. It demonstrates the enormous contrasts we have in our climate across the nation.

Many of the people who suffered in the floods and fires this time around had been through the same emotional and financial wringer in 2010 or 2011, so for them it is difficult to put together the words that would adequately deal with their suffering and loss. It never ceases to amaze me, and it inspires us all, the way in which Australians come together to help one another in these sorts of circumstances. Others have referred to that already; people have come from interstate to help in the clean-up effort, displaying the great Australian hand of mateship, to work together to help get us through these disasters.

The floods in Queensland claimed six lives, and the property losses are enormous. We mourn with the families of those who have lost loved ones. I mention in particular a 27-year-old, wheelchair-bound man who suffered from cerebral palsy and who drowned in Widgee Creek, in my own electorate. His parents were rescued some hours later. That is a particularly tragic example of how people with disabilities have much less capacity to deal with these sorts of climatic circumstances than others.

But there were, of course, some remarkable examples of survival. I think of the story of Lucy Connolly, from Eidsvold,
deserves to be told. She woke up just after midnight to the sound of gurgling water in the house on the farm where she was living. That was the first warning she had of the impending crisis. She called her parents for help; but, as she walked outside her house, she was swept up by the floodwaters. She was swept down the drive to the property gate, over the fence, over the highway and then into a wood plantation on the property across the road. While a lot of the timber had been flattened, she managed eventually to cling to a tree. She was not there long when she realised she was sharing it with a snake—but there was only water around her and nowhere else to go. Fortuitously and quite extraordinarily, an emergency beacon got washed up from a weir three kilometres away, with its light flashing, and rested in a tree not far from her. The rescuers, still in the dark of the early morning, saw this flashing light attracting their attention and then heard her screams, and she was rescued. What an extraordinary example of survival it is. So we mourn with those who have lost loved ones, but we also rejoice that so many people lived through this crisis and can now be part of the rebuilding effort.

I want to acknowledge again the rescue workers. I am referring particularly to those in Bundaberg and North Bundaberg, which is actually in the electorate of Flynn. The member for Flynn also has areas like Gayndah, Mundubbera and Eidsvold, which were particularly badly affected by this flooding. The members for Wright and Maranoa have the Lockyer Valley and parts of the Scenic Rim—which were significantly affected—and parts of the South Burnett and of the Western Downs as well. They all worked hard to try and get through this disaster. I acknowledge that in Rockhampton there are still floodwaters that have not yet cleared.

Electricity was out for many days. There will be no gas in Wide Bay, I am told, for several weeks. The phone services were lost, including, very embarrassingly, the triple-0 network. That is obviously an issue we need to address for the future. Central and North Queensland did not have the triple-0 network for several days. People who rely on wireless telephones or internet were similarly affected—indeed, the mobile phone network was also out—once the electricity was lost in most places. Without electricity, it only takes a day or two for the batteries to go flat and then all communication is lost. So there is a need to look at some of those issues.

The final point I make is that there has been a lot of talk about betterment: the need to rebuild facilities to make them better than they were. I visited Gayndah, and the mayor showed me their water intake facility out of the river, which was destroyed in 2011 and rebuilt exactly the same as it was and has now been destroyed again. If it had been built just a couple of metres higher, that issue would not have arisen. So I think we need to work with the various tiers of government to find ways to make sure that we learn from the experiences of infrastructure being lost and do not allow that to be repeated. A couple of mayors have canvassed the idea of giving people the opportunity, if they want to, to move out of the flood-prone area to higher land, and I think that is commendable. It has been done in the past—it was done a bit in Grantham—and, if we can do it more in the future, I think it will stand us in better stead to deal with these crises in the future.

I thank also all of those who helped with the disaster and acknowledge the assistance provided in my own city of Maryborough. My own office had floodwaters coming at it from both ends and we thought for a while that it might go under, but fortunately the flood did not go quite high enough for it to come into the office and so we were spared
that inconvenience. But in reality many of my neighbours and a large part of the central shopping area did to go under. Those people face a huge fight back, and we as a nation and as the parliament have an obligation to stand beside them so that they can complete that task and get back to a normal life just as quickly as possible.

Reference to Federation Chamber

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (14:23): by leave—I move:

That further statements on indulgence on the natural disasters be permitted in the Federation Chamber.

For the benefit of members, particularly the local members who I know will want to make a contribution about the impact on their local communities, we will list that tomorrow; but if it is inconvenient I am happy to work with the Manager of Opposition Business to ensure that everyone who wants to speak on this matter is able to put on the record their thanks for those who helped their local communities.

Question agreed to.

CONDOLENCES

Murdoch, Dame Elisabeth Joy, AC, DBE

Ms GILLARD (Lalor—Prime Minister) (14:24): The Leader of the Opposition mentioned to me that it would be appropriate for the House to mark the passing of Dame Elisabeth Joy Murdoch. I am happy for the House to do so, and the Leader of the Opposition wishes to say a few words. As I am sure all members of the House are aware, Dame Elisabeth led a remarkable life in every way. It was remarkable for its length: she was born on 8 February 1909 and died on 5 December 2012. It was an incredible life—to have lived through such an era of change. It was a remarkable life for her generosity. She was a patron of and contributor to so many Victorian charities and beyond. She was noted for her philanthropy in every way, particularly in the arts but not just in the field of the arts. Dame Elisabeth was a very familiar figure to Victorians through her philanthropy. He life was remarkable too in its legacy: at her death she had 77 direct living descendants—an amazing thing. No matter at what age someone loses their mother, loses a parent, it is a painful thing. At the time of Dame Elisabeth's death I expressed my condolences to her children Helen, Rupert, Anne and Janet, and I do so here as well.

Mr ABBOTT (Warringah—Leader of the Opposition) (14:25): I too rise to acknowledge the remarkable life and contribution of Dame Elisabeth Joy Murdoch. She was the spouse of one of Australia's greatest newspapermen and she was the parent of one of the world's greatest newspapermen. She was also remarkable in her own right. She was president of the Royal Children's Hospital in Melbourne from 1954 to 1965. She helped found the Murdoch Children's Research Institute. She was the first female trustee of the National Gallery of Victoria. She was a major benefactor of the Australian Ballet, Opera Australia and the Royal Britannic Gardens. She contributed to at least 120 charities.

On a personal note: there was a period when the Australian newspaper, for which I then worked, refused to acknowledge the imperial honours in its reporting, but I am pleased to say that an exception was always made for Dame Elisabeth Murdoch. She led a great, remarkable and marvellous life. In celebrating this life of service, this parliament might encourage others to do their best to emulate it.
Reference to Federation Chamber

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (14:26): by leave—I move:

That further statements on indulgence on the death of Dame Elisabeth Joy Murdoch be referred to the Federation Chamber.

Question agreed to.

MINISTERIAL ARRANGEMENTS

Ms GILLARD (Lalor—Prime Minister) (14:26): I table for the information of the House a revised ministry list reflecting changes to the ministry I announced on 2 February 2013.

The document read as follows—

SECOND GILLARD MINISTRY 4 February 2013

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<th>Title</th>
<th>Minister</th>
<th>Other Chamber</th>
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<tr>
<td>Prime Minister</td>
<td>The Hon Julia Gillard MP</td>
<td>Senator the Hon Stephen Conroy</td>
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<td>Minister Assisting the Prime Minister on Digital Productivity</td>
<td>Senator the Hon Stephen Conroy</td>
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<td>Minister Assisting the Prime Minister on Asian Century Policy</td>
<td>The Hon Dr Craig Emerson MP</td>
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<td>Minister for Social Inclusion</td>
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<td>Minister for the Public Service and Integrity</td>
<td>The Hon Gary Gray AO MP</td>
<td>Senator the Hon Stephen Conroy</td>
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<tr>
<td>Cabinet Secretary</td>
<td>The Hon Jason Clare MP</td>
<td>Senator the Hon Stephen Conroy</td>
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<tr>
<td>Minister Assisting the Prime Minister on the Centenary of ANZAC</td>
<td>The Hon Warren Snowdon MP</td>
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<td>Parliamentary Secretary to the Prime Minister</td>
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<td>Treasurer (Deputy Prime Minister)</td>
<td>The Hon Wayne Swan MP</td>
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<td>Minister for Financial Services and Superannuation</td>
<td>The Hon Bill Shorten MP</td>
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<td>Assistant Treasurer</td>
<td>The Hon David Bradbury MP</td>
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<td>Minister for Defence (Deputy Leader of the House)</td>
<td>The Hon Stephen Smith MP</td>
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<td>Minister for Regional Australia, Regional Development and Local Government</td>
<td>The Hon Simon Crean MP</td>
<td>Senator the Hon Stephen Conroy</td>
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CHAMBER
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<td>Senator the Hon Kim Carr</td>
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<td><strong>Minister for the Status of Women</strong></td>
<td>The Hon Julie Collins MP</td>
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<td>Parliamentary Secretary for Trade</td>
<td>The Hon Kelvin Thompson MP</td>
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<td><strong>Minister for Sustainability, Environment, Water, Population and Communities</strong></td>
<td>The Hon Tony Burke MP</td>
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<tr>
<td>(Vice-President of the Executive Council)</td>
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<td>Senator the Hon Don Farrell</td>
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<td>The Hon Greg Combet AM MP</td>
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Each box represents a portfolio. **Cabinet Ministers are shown in bold type.** As a general rule, there is one department in each portfolio. However, there is a Department of Veterans’ Affairs in the Defence portfolio. The title of a department does not necessarily reflect the title of a minister in all cases.
QUESTIONS WITHOUT NOTICE

Budget

Mr ABBOTT (Warringah—Leader of the Opposition) (14:27): My question is to the Prime Minister. I remind the Prime Minister of her statement that returning the budget to surplus ‘is the best thing we can do to help families with cost-of-living pressures'. When now does the government commit to produce a budget surplus and thereby help the struggling families of Australia?

Ms GILLARD (Lalor—Prime Minister) (14:28): I addressed this question about surplus and the government's budget position, indeed the nation's budget position, when I spoke at the National Press Club last Wednesday. The circumstance in which we find ourselves really has not been experienced for a long time in Australia's national life—that is, the amount of government revenue being generated per unit of GDP is at its lowest since the early 1990s and is far lower than was expected by Treasury. The difference before the days of the GFC is stark, but even since then the GFC revenue returns have been far lower than anticipated by Treasury. There are a number of factors, some of them domestic, some of the global, which are leading to this result, and it is important for anybody who seeks to be taken seriously in the economic debate to understand the factors that are pressing on the Australian revenue.

We continue to see weakness in the global economy and we continue to see remarkable strength in our currency—in the dollar. That remarkable strength in our currency is persisting, even though we have seen a reduction in our terms of trade and even though we have seen a reduction in interest rates. Orthodox economic models would tell you that a reduction in the terms of trade and a reduction in interest rates would likely see our currency lose some value; but it has persisted at a very high level. What that means is that for those industries that are competing, that are export oriented—whether it be manufacturing, whether it be tourism, whether it be services sectors like international education—there is a lot of pressure from the Australian dollar and that pressure is translating into pressure on profitability.

We are also at a phase of the resources boom where we are seeing widespread and large investment. We have not hit the peak of the investment yet. But it is not at this stage that we see the maximum return from resources; that obviously happens when you move from the peak investment phase to the peak production phase. So there is a set of factors—some them cyclical, some of them not anticipated—which are pressing on the amount of revenue being received by government. This is a challenge for everyone in our nation’s life and one that requires careful work and thinking through. It certainly means that we will be adhering to our medium-term fiscal strategy as the Treasurer has outlined it. That requires the offsetting of expenditure by saving in the forward estimates period, and I would recommend the same strategy to the Leader of the Opposition when and if he produces any costings. (Time expired)

The SPEAKER: Could I ask for the prop to be removed from the advisers box, please? The Leader of the Opposition has the call.

Mr ABBOTT (Warringah—Leader of the Opposition) (14:31): On a supplementary: how does the Prime Minister reconcile the answers she has just given with her pre-election declaration that there would be a surplus in the current financial year, ‘no ifs, no buts, it will happen'? I ask again: when will this government finally deliver a surplus?
Ms GILLARD (Lalor—Prime Minister) (14:31): To the Leader of the Opposition: whether or not he likes it, there are these things called facts, and they cannot be wished away and they cannot be ignored. When we come to dealing with the facts, what we see is a further write-down in revenues from what was expected in terms of Treasury estimates—that is, Treasury doing the absolute best it can, but a further write-down in revenues. That is a fact and it needs to be accounted for, obviously, by the government; but it also needs to be accounted for by the opposition if it wants to be taken seriously in any sort of economic debate.

In these circumstances there is a choice—and the choice the government has made is to make sure we maintain a focus on jobs and growth. It would not be appropriate, with a focus on jobs and growth, to seek to offset the revenue write-downs; it would not be appropriate, with a focus on jobs and growth, to offset the operation of the automatic stabilisers in the budget. Consequently, we will not do so. What we will do is continue our proud track record of creating jobs and opportunities for working Australians.

Economy

Ms ROWLAND (Greenway) (14:33): My question is to the Prime Minister. How is the government getting on with the job of building a stronger, smarter and fairer Australia?

Ms GILLARD (Lalor—Prime Minister) (14:33): I thank the member for Greenway for her question, and I thank her and all government members for their focused interest in our nation’s future. We share in common great Labor values. What those values mean is that we always focus on creating opportunity and fairly sharing opportunity and that we always focus on protecting people from the risks they can encounter during the course of a lifetime. For this Labor government, that means the work of 2013 is focused on creating opportunities, sharing opportunities and protecting people from risk.

We enter this year with real and clear plans to make sure that we keep our focus on jobs and growth—jobs in our economy overall, economic management to ensure jobs are created—and on industries, like manufacturing, that are bearing the brunt of the high Australian dollar. We are proud of the fact that, even during the worst of global economic times, by keeping a focus on jobs and growth we have created more than 800,000 jobs while around the world far more than 20 million jobs have been shed.

To ensure that in the future we can also offer Australians the benefit of jobs and growth, we need in this world to be continuously modernising our economy. That is why we are delivering the very detailed policies and plans that will seize us a clean energy future, that will improve our infrastructure—including the rolling out of the National Broadband Network—that will improve the opportunity of Australians for new skills so that they can get the jobs of the future and that will ensure the nation is appropriately regulated and people are not caught up in red tape. That will mean we will tap into growth: the growth in our region of the world in this time of change as Asia rises.

At the same time we are also focused on protecting people from the risks they run in an ordinary life, including the risk that someone in their family or, indeed, an individual will confront a profound disability during the course of their life. What is important is that government works with them to ensure they get fair help and a fair deal. That is why I am very proud that, on l
July this year, we will launch the National Disability Insurance Scheme.

This is the work of 2013 and this is the work for this government beyond 2013—making sure that there are real plans to give people opportunity and real plans to support modern families as they encounter the risks of life, including the risk of disability.

Superannuation

Mr Abbott (Warringah—Leader of the Opposition) (14:36): My question is to the Prime Minister. Will the Prime Minister join the coalition and me in reassuring self-funded retirees that there will be no unexpected adverse changes to their superannuation arrangements now or in the next parliament?

A government member interjecting—

The Speaker: Order! The minister is denying the Prime Minister the call. The Prime Minister has the call.

Ms Gillard (Lalor—Prime Minister) (14:37): First, to the Leader of the Opposition: I know that he is engaged in a pretence about having a plan for the nation. I would remind the Leader of the Opposition that a plan is when you outline in detail what you are going to do, how you are going to do it, what it is going to cost and how you are going to pay for it. The unfortunate truth for the Leader of the Opposition is that a plan is when you outline in detail what you are going to do, how you are going to do it, what it is going to cost and how you are going to pay for it. The unfortunate truth for the Leader of the Opposition is that a plan is when you outline in detail what you are going to do, how you are going to do it, what it is going to cost and how you are going to pay for it. The unfortunate truth for the Leader of the Opposition is that a plan is when you outline in detail what you are going to do, how you are going to do it, what it is going to cost and how you are going to pay for it.

The Speaker: The Prime Minister will return to the question

Ms Gillard: What I can say to the Leader of the Opposition very clearly is this: No. 1, as the political party that brought superannuation to working Australians, we will always do the right thing by the futures of working Australians and their superannuation, which is why we are increasing superannuation contributions from nine to 12 per cent. This is the superannuation scheme that the Leader of the Opposition variously described as a 'con' as he opposed Australian working people having superannuation. So the political party that created it—

Mr Pyne: Madam Speaker, I rise on a point of order. The Prime Minister was asked whether she would rule out any adverse changes for superannuation in the future, and that is the question she has to answer—and she is not even attempting to answer that now.

The Speaker: The Manager of Opposition Business will resume his seat. The Prime Minister has the call.

Ms Gillard: As the political party that created superannuation, we will always be the political party that does the right thing by working Australians and their retirement income—decent, hardworking Australians: the modern families who we seek to serve. In stark contrast, the Leader of the Opposition has said to families around the nation—to working people around the nation—that he will rip off their superannuation. In particular, he has said that he is determined to rip away the low-income superannuation boost that we are giving them. That means 3.6 million workers earning under $37,000 face the Leader of the Opposition's rip-off—that is, three in 10 workers in this nation are on his hit list, people who he wants to see poorer when they retire—

Opposition members interjecting—

The Speaker: The Prime Minister will resume her seat. One point of order has already been taken on the question. The Prime Minister has the call and will return to the question before the chair.
Ms GILLARD: I can certainly say to the Leader of the Opposition: we, who are determined to benefit people like the 3.6 million low-income earners who would be predominantly women, will make sure we provide those benefits and we will fight the Leader of the Opposition's plan to rip them off.

DISTINGUISHED VISITORS
The SPEAKER (14:40): Just before I call the member, I want to recognise in the gallery today that we have David Tollner with us, the former member for Solomon.

Honourable members: Hear, hear!

QUESTIONS WITHOUT NOTICE
Economy
Mr MELHAM (Banks) (14:40): My question is to the Treasurer. Will the Treasurer outline how the government's reforms are building a stronger economy and securing growth and jobs into the future?

Mr SWAN (Lilley—Deputy Prime Minister and Treasurer) (14:40): I thank the member for Banks for that question. Before I directly answer that question, I would like to report to the House that the Reserve Bank has now decided to keep the cash rate steady at three per cent. This means that a home owner, say, with an average mortgage of around $300,000, remains around $5,000 better off per year compared to when this government came to office. The RBA has cut rates repeatedly over the last 15 months partly in response to global volatility but also because the government has been running a very strong fiscal policy that has kept inflation contained and given the Reserve Bank of Australia flexibility and room to cut rates. I was asked by the member for Banks about why we must put in place reforms to strengthen our economy—to strengthen our economy for our children and our grandchildren, because reform can be pretty tough; it can be hard yards.

Mr Katter: Madam Speaker, I rise on a point of order. Could the Reserve Bank be told that their interest rates are 1,000 per cent higher than the rest of the world?

The SPEAKER: The member for Kennedy will resume his seat. It is not a point of order. It is an abuse of the standing orders, and I will warn the member for Kennedy if he interjects again. The Treasurer has the call.

Mr SWAN: This government is very clearly focused on reforms which will strengthen our economy and our country for the future. We are proud of the fact that we have faced up to the big reforms over the past five years—big reforms like the NBN to lift productivity and to support business; big reforms like carbon pricing to make sure that a First World economy is driven by clean energy. It is this same determination to look to the future that this government is putting in place in 2013 for the next five years, in particular our determination to support jobs and growth. It is the top priority of this government, and it has been since day 1. It is why we moved to support our economy during the global financial crisis. It is one of the reasons that our economy is now 13 per cent bigger than it was back in 2007. Our priority has been jobs and growth and the peace of mind of the Australian community.

At the end of last year we took a very big whack to revenues—$4 billion, a revenue write-down over four months that we had previously written down for the whole year. That is why we said then that our first priority does remain with supporting jobs and growth, and that is what we will continue to do. When we support growth and when we have a strong economy, we have a strong budget and we have the capacity to put in place the very big reforms for the
future which will lift productivity—particularly the school improvement program, the Gonski program and, of course, making a fairer Australia through the National Disability Insurance Scheme. There can be no doubt about our determination to strengthen our economy and our country for the future.

Economy

Mrs MIRABELLA (Indi) (14:44): My question is to the Prime Minister. I remind the Prime Minister that 60 jobs were axed last month at Penrice Soda, with the company telling the ASX that the losses were due to increasing energy and labour costs, increasing taxes—notably the carbon tax—and increasing regulatory compliance costs. Will the Prime Minister apologise to the families of the 60 workers sacked at Penrice Soda for breaking her promise not to introduce a carbon tax?

Ms GILLARD (Lalor—Prime Minister) (14:44): Of course when any worker loses their job around the country that is a very disturbing matter for them and their family. It puts a lot of pressure on. From the point of view of this government, all you will ever see us do is support working people who find themselves in that position. Indeed, we know how shattering it can be for someone to confront the circumstance of unemployment, and that is why we took the actions we did in the global financial crisis to keep Australians working and to keep them in jobs.

On the question of Penrice and the production of soda ash that the member asked about, I think it is important that we are accurate about what was putting pressure on this company, accurate about the impacts and also accurate about carbon pricing. So let us go through the facts, which I believe the members opposite ought to be interested in. The facts are these. Soda ash sells for around $340 per tonne. That is a fact. After assistance, the impact of the carbon price on a tonne of soda ash is around $1.20 a tonne. That is the fact. The impact of carbon pricing on soda ash production is similar to a 0.3c appreciation in the Australian dollar. As we all know, we have seen a 60 per cent appreciation in our currency over the last few years. So the pressures on this business are strongly impacted by the strength of the Australian dollar. It is also impacted by factors like lower international shipping costs, which are making imports more competitive.

Mrs Mirabella: Madam Speaker, I am just a bit confused—

Government members: What's your point of order?

Mrs Mirabella: My point of order is—

Government members interjecting—

Mrs Mirabella: It is a very serious—

The SPEAKER: The member for Indi will resume her seat. She is again abusing a point of order, and it will not be tolerated. I will actually direct people to the Manager of Opposition Business's recent speech about abiding by the standing orders. The Prime Minister has the call.

Ms GILLARD: Thank you very much, Speaker. That was a clear example of the continued negativity of the opposition. I was bringing to the parliament the facts, and I think the facts matter, and no amount of headshaking by the member for Indi changes that. So, when we are talking about this business, there were clear pressures. I have given you the figures about the impact of
carbon pricing compared with the impact of the Australian dollar. Obviously the impact of carbon pricing is very, very, very, very modest indeed. So this is an example of the kind of change we are seeing across our manufacturing sector, driven overwhelmingly by the high Australian dollar. That is why we will respond to those real pressures with a statement on jobs and innovation and why we will always resist the opposition's plans to cut back assistance to manufacturing. (Time expired)

Mrs Mirabella: I seek leave to table a document, the ASX release by Penrice Soda.

Mr Albanese: Yes. I like the member for Indi.

Leave granted.

Telecommunications

Mr KATTER (Kennedy) (14:49): My question is to the Prime Minister. Given the on-off collapse of the entire telco system throughout north-eastern Australia during what was a relatively contained natural disaster, with Gladstone to Cairns to Mount Isa having only intermittent triple-0 emergency service over 24 hours, and leaving internet reliant services, cash, petrol or food inaccessible, would the Prime Minister agree to a comprehensive inquiry into telco services to ensure the future delivery through the NBN and, inter alia, to secure mobile towers, ensuring that lives are not lost in the future?

Ms Gillard (Lalor—Prime Minister) (14:50): I thank the member for Kennedy for his question. I understand his concern about this matter, because I am very concerned about it too. In the first discussion I had with Premier Newman about the circumstances in Queensland, this was a matter that we discussed. There was the loss of telecommunications, and there was a considerable geographic area of Queensland where people were therefore unable to make triple-0 calls, and of course that is a very concerning thing. Telstra worked to restore communications capability, and as that work was underway I kept my eye on that because I understood how important it was that this telecommunications capacity got back up and running as soon as possible. So we saw this outage as a result of flood damage in Queensland, and I can understand the member for Kennedy's concerns that we do not want to see that kind of loss of telecommunications again.

I think we have to be fairly practical about what we can do and what we cannot do. The reality is that there will always be some circumstances of nature that are so ferocious that, even with the best of preparations, things that people identify as necessary services, services that we are all used to living with, will be lost. Indeed, the Leader of the Nationals referred to the loss of things like power and gas. Those things do happen in circumstances of natural disaster. But we should be doing everything we can to make the networks that bring these services to people as resilient as possible.

I have certainly asked for further information on this issue in Queensland, how it happened and what we can learn from it. I talked about it publicly in Queensland. I was asked about it on radio and said, 'Of course, it is incumbent upon us to learn everything we can from this natural disaster to have better resilience next time.' We have learnt from natural disasters in the past. For example, we learnt from the bushfires in Victoria. That is what led to us having the capability, during these natural disasters, to put warnings on people's phones. They were very valuable for people.

I can assure the member for Kennedy that, in the design of the NBN, NBN Co. are placing the highest priority on reliability and strength of the network in the design and
planning stages. They have taken into account natural disaster occurrences, like flooding, in the basic network design. But if there is something we can learn for the future from what happened in Queensland this summer then I am certainly very determined to learn it and make sure that we respond to that lesson.

Mr KATTER (Kennedy) (14:53): The Prime Minister will recall that it was only her intervention that got 93 of those 200 towers that were out switched back on. There were two boys washed off a roadway. If they had had mobile telephones that were working, maybe their lives might have been saved. Another one broke his back and he had no way of contacting anyone because his mobile service was not working. It was only the Prime Minister's intervention that got those 100 towers switched back on, two weeks after Yasi. We are really asking for an in-depth report back to this parliament—

(Time expired)

Ms GILLARD (Lalor—Prime Minister) (14:54): I can certainly assure the member for Kennedy that, anything we do learn from this, I will be happy to share. This is the sort of information that—

Mr Katter: You are not even listening to what I am asking.

Ms GILLARD: I thank the member for Kennedy for that. I do want to assure him that anything we learn during the course of natural disasters I do not view as information that should be held confidentially by government. It is information that has its most power and meaning if it is shared. What we have learned in the past from circumstances of natural disaster we have certainly shared across not only federal government but also state governments and with the private sector. It is that kind of the collaboration that has given us the mobile warning system now so not only do you get warnings if your residential address or home address for your phone is in the disaster area but you can get warnings if you are in that geographic area when warnings are necessary. We have built capabilities over time. We will continue to learn what we can and do that. I will be more than happy to include the member for Kennedy in those discussions as information comes through.

Education

Mr SYMON (Deakin) (14:55): My question is to the Minister for Families, Community Services and Indigenous Affairs and Minister for Disability Reform. As children around the country go back to school for another year, will the minister update the House on the government's plans to support families with the costs of education? What obstacles are there to this support?

Ms MACKLIN (Jagajaga—Minister for Families, Community Services and Indigenous Affairs and Minister for Disability Reform) (14:55): I thank the member for Deakin very much for that question. As he knows, there are many families in Deakin who have been getting their kids ready for school both last week and this week and making sure that they have all the things their children need: the school shoes, school books and all of those essentials. Parents have been out in many, many stores around the country buying those goods.

The first instalment of this government's schoolkids bonus was paid to families right around the country just a few weeks ago. This, of course, was paid as part of our plan to help Australian families. This year we will see 1.3 million Australian families, covering 2.2 million children, benefit from this government's schoolkids bonus. That means $410 per primary school aged child and $820 per secondary school aged child. That is
what this government is delivering—that extra money to make sure that parents have money in the bank. That is where it has gone, straight into the bank accounts of these families to make sure parents have the money when they need it to help them get their kids ready for school.

Of course, we are hearing all the catcalling from those opposite. We know that, unlike this government, they have a plan to rip this money off families, to take all of this money off 1.3 million Australian families, to fill their budget black hole. That is what this Leader of the Opposition is planning to do—take all of this money straight off families. For a typical Australian family, this Leader of the Opposition would see them lose $15,000 over the school life of their children. This Leader of the Opposition would be responsible for ripping all of that money out of the pockets of families just because he has a very serious budget black hole. Families know which side of this parliament is on their side, and it is this Labor government.

Budget

Mr HOCKEY (North Sydney) (14:58): My question is to the Prime Minister. I refer the Prime Minister to the 166 occasions that she promised to deliver a surplus. I refer the Treasurer to the 366 occasions that he promised to deliver a surplus. How can the Australian people ever trust the Prime Minister's word when she said on all those occasions that, in order to make life easier for Australians, she would make sure the government lives within its means?

The SPEAKER: The member for North Sydney will remove his prop. Member for North Sydney, you can seek leave at the end of the question. Meanwhile, you can remove your props.

Ms GILLARD (Lalor—Prime Minister) (14:59): Thank you very much, Speaker. I thank the member for North Sydney for his question. I can see that the summertime fitness regime has involved weight lifting as well. Congratulations to him—well done!

I refer the member for North Sydney to my earlier answer in the House, I refer him to my statements at the National Press Club and I ask him, in what should be a year where there is the time and the space and the certainty for a sophisticated policy debate, to try and deal with the level of sophistication necessary in the economic debate before this nation.

We find ourselves in a circumstance where, per unit of GDP, less revenue is being returned to the government than at any time since the 1990s. Indeed, around the world, other democracies, other developed countries, are also struggling with this phenomenon. There are no doubt cyclical factors at play and, as I indicated in my National Press Club speech, and as the Assistant Treasurer has said on more than one occasion, there may be some things about the accounting of profits in the modern age that need to be thought about and thought about in the context of the G20. We need to deal with facts.

Dealing with the facts and dealing with the revenue write-downs that we have seen, Treasury are doing their best, their best projections after the GFC. We have seen huge write-downs from before the GFC. Then we have seen huge write-downs again that Treasury did not forecast and did not predict. In the circumstances of those write-downs, you have got a clear choice to make: do you focus on jobs and growth or don't you? This is the choice that we faced when the global financial crisis was at its height, and we as a government said, 'You focus on jobs and growth.' I respect that the opposition made the opposite decision, and that is their judgement call. They decided
that the nation should not focus on jobs and growth, and that is why they opposed our economic stimulus package. So there is a divide here. We focus on jobs and growth. The opposition is committed to the opposite, to not focusing on jobs and growth.

We are at another moment where a decision needs to be made: do you focus on jobs and growth? We are focusing on jobs and growth. If the member for North Sydney wants to lead the economic debate of the opposition once again into not focusing on jobs and growth, that is a matter for him, and he will be held to account for it. But there is nothing more important to this Labor government than the jobs of working people. We have put them first in the most difficult of economic days, and we will put those jobs first now.

Mr HOCKEY (North Sydney) (15:02): Madam Speaker, I ask a supplementary question to the Prime Minister. Given now that, on over 500 occasions, she and the Treasurer have said that there will be a surplus, I refer her to her statement in 2011: 'You can't run this country if you can't manage its budget.' Given that this government can't run the budget, Prime Minister, shouldn't you just give up trying to run the country?

Ms GILLARD (Lalor—Prime Minister) (15:02): To the member for North Sydney: first, if he wants to be taken seriously by anyone then he needs to deal with the facts. He knows that what we have seen with the government's budget is a revenue write-down, and he should acknowledge that.

Mr Hockey: Come on! Off what?

Ms Gillard: There's the member for North Sydney—good at bellowing, not so good at analysis. I refer him to every statement that has been made by Treasury about revenue write-downs. We have adhered to a medium-term fiscal strategy to contain expenditure. What is happening in the government's budget is not increased expenditure; it is revenue coming down.

Mr Hockey: That's rubbish!

Ms Gillard: And there is no amount of bellowing, no amount of shaking his head, no amount of denying the facts that gets the member for North Sydney away from that. So we need to deal with that—yes, we do—but I will hold the member for North Sydney to account for the words he said today. I take that to mean that he will publish full costings of all policies in a timely way, and he can start by giving full and proper costings of every policy utterance made by the Leader of the Opposition to date, because not once since the 2010 election has the opposition produced a policy with a proper costing or credible savings. (Time expired)

Mr Hockey: Madam Speaker, I am seeking leave to table several documents.

Mr Albanese: Madam Speaker—

Mr Hockey: Ease up, buddy. Relax. It's the beginning of a new year.

The SPEAKER: The member for North Sydney!

Mr hockey: I seek leave to table 166 promises in writing from the Prime Minister about the surplus and 366 promises from our old mate the Treasurer about a surplus.

Mr Albanese: Oh, I don't like him!

Leave not granted.

Australian Natural Disasters

Mr NEUMANN (Blair) (15:05): My question is to the Attorney-General and Minister for Emergency Management. Will the minister update the House on the recent flood and fire events that have affected five out of six Australian states?

Mr Dreyfus (Isaacs—Attorney-General and Minister for Emergency Management) (15:05): I thank the member.
for Blair for that question and for the opportunity to rise on my first day in this parliament as Attorney-General and Minister for Emergency Management. I just want to take the opportunity to say that I am very proud to serve the interests of the Australian people as Attorney-General in a Labor government. I will be guided by my principles and values, formed—

Opposition members interjecting—

Mr DREYFUS: I know that those opposite have no principles and no values, which is why they are laughing, but I will be served in this place by principles formed from long years of legal practice.

Mr Pyne: Madam Speaker, I rise on a point of order. The minister may well have set a very low bar through his statement about his own worth, but I find offensive what he said to the opposition. I would ask him to withdraw it. He is not the only person here with principles, in spite of the fact that he thinks he is.

The SPEAKER: The Manager of Opposition Business will resume his seat. As has been ruled on numerous occasions, general throwing out of issues is not something that can be withdrawn. The Attorney-General has the call and has the right to be heard in silence.

Mr DREYFUS: I thank the member for Blair for his question. The member for Blair saw firsthand the damage caused by the 2011 Queensland floods, and he stood side by side with his community as they rebuilt. Floods and fires have affected communities around the country, but I want to focus on the state of Queensland, the state that the member for Blair is from, and that is because of the truly devastating impacts that there have been in the state of Queensland. The scenes following ex-Tropical Cyclone Oswald down the Queensland and the New South Wales coasts have been truly devastating—in the Bundaberg region in particular. On Australia Day, that area bore the brunt of this storm, with a series of separate tornadoes and more than 7½ thousand residents forced to evacuate their homes.

Our government has moved very quickly to ensure that support was available for those most severely affected. We have activated our disaster response plan. In Queensland more than 300 Australian Defence Force personnel have been deployed to assist with the emergency response and recovery efforts led by ADF Joint Task Force 637 Queensland Flood Assist 2. We have paid almost $47 million in recovery support directly into people's bank accounts following requests from 40,200 applications from Queensland, with every eligible adult receiving $1,000 and $400 per child. The Prime Minister has also activated clean up and recovery grants of $25,000 for primary producers, for small businesses and for not-for-profit organisations in Bundaberg, North Burnett, Fraser Coast, Gympie and the Lockyer Valley. There are a further 53 local government areas eligible for help including personal hardship assistance, concessional interest rates, loans and freight subsidies for primary producers.

As Australians, we take pride in our ability to pull together in a time of crisis. We have seen the mud army—referred to already today—of volunteers return to lend a helping hand, and I would echo—(Time expired)

Foreign Affairs

Ms JULIE BISHOP (Curtin—Deputy Leader of the Opposition) (15:09): My question is to the Attorney-General. As a member of the National Security Committee of cabinet, does the Attorney-General agree with the foreign minister that the settlements on the West Bank are illegal under international law?

Honourable members interjecting—
The SPEAKER: Order! I was actually about to point out that this is not within the Attorney-General's portfolio. The Manager of Opposition Business will resume his seat. The Leader of the House was on his feet first. The Leader of the House has the call.

Mr Albanese: The big hint here is the fact that the shadow minister for foreign affairs asked the question. I know it is unusual for the shadow minister for foreign affairs to ask a question about her portfolio, but she should be across her portfolio enough to know who the minister is and who the minister representing the minister for foreign affairs is, and it is not the Attorney-General, it is the Minister for Trade.

The SPEAKER: The Leader of the House will resume his seat. The Manager of Opposition Business on a point of order.

Mr Pyne: Madam Speaker, on the issue before the chair, the Attorney-General is a member of the National Security Committee of cabinet which deals will these issues. With the issues of international law you would have expected that the Minister for Foreign Affairs would have sought the advice of the Attorney-General's Department about whether the settlements on the West Bank were, in fact, illegal under international law. Given he would have sought that advice, I would assume the Attorney-General would be aware of it.

The SPEAKER: The Manager of Opposition Business will resume his seat. The question is out of order.

Honourable members interjecting—

Mr Abbott interjecting—

The SPEAKER: Order! The Leader of the Opposition will withdraw that statement. The member for Canberra has the call.

Mr Abbott interjecting—

Nation Building Program

Ms Brodtmann (Canberra) (15:11): My question is to the Minister for Infrastructure and Transport. Will the minister update the House on the Nation Building Program and how the government is delivering on its plans for transport infrastructure?

Mr Albanese (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (15:11): This morning I was with the member for Canberra, the member for Fraser and the member for Eden-Monaro at the beginning of construction of the Majura Parkway, which is the largest ever road project in the ACT. Recommended by Infrastructure Australia it will deliver benefits for the ACT economy of a billion dollars. It is part of the rollout of the Nation Building Program.

Just in the last couple of weeks we have been getting on with the business of governing and opening the southern Sydney freight line to traffic. For 100 years it has been blocked and we have had to stop—indeed there has been a curfew—at Sydney regarding freight line to the port, fixed as a result of our investment. We have confirmed that the widening of the Great Eastern Highway in Perth will open six months ahead of schedule. We have awarded the contract to build the Gosford passing loops as part of the northern Sydney freight corridor upgrade. Last Friday I was with the member for Perth at the WA Gateway project. It is a billion dollar project and the biggest road project ever in WA. We have put funding towards the planning in the Prime Minister's electorate of the western interstate freight terminal that has the potential to take 700,000 trucks off the streets of Melbourne.

We have opened the new heavy vehicle regulator office in Brisbane. We have opened
the new rail safety regulator office in Adelaide. As a result of those programs, the national transport regulators will deliver $30 billion benefit to the national economy over 20 years. We have gone to the electorate of the member for Gellibrand to look at the regional rail link—the bridge over the Maribyrnong River and the work that is taking place there—which is the largest ever investment by any federal government in any public transport project in Australia's history. We have been getting on with the job of identifying the big infrastructure projects that are required to build productivity, support jobs, deal with issues such as urban congestion and we are making sure that they are properly funded with proper time lines so that they can keep our economy strong into the future.

Ms BRODTMANN (Canberra) (15:14): Madam Speaker, I ask a supplementary question. The minister has talked about the government's Nation Building Program. How does this compare with other proposals for infrastructure?

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (15:14): I thank the member for Canberra for her question. Whilst we have been getting on with the job of identifying the big infrastructure projects that are required to build productivity, support jobs, deal with issues such as urban congestion and we are making sure that they are properly funded with proper time lines so that they can keep our economy strong into the future.

The Leader of the Opposition went along to Tasmania last week promising $400 million, a repeat of the promise in 2010 for the Midland Highway. He could not even name the highway correctly, but it is a $3 billion project. So, he said there was $400 million set aside—

Ms BRODTMANN (Canberra) (15:14): Madam Speaker, I ask a supplementary question. The minister has talked about the government's Nation Building Program. How does this compare with other proposals for infrastructure?

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Mrs Bronwyn Bishop: Madam Speaker, on a point of order: I refer you to page 569 of House of Representatives Practice, where it is pointed out that the practice of referring in detail to opposition policies has been ruled out of order. Indeed, you have previously withdrawn the call from the minister. I would ask that if he continues you withdraw the call from him.

The SPEAKER: The minister has the call.

Mr ALBANESE: I can understand the embarrassment, because the opposition leader said that the funds had come from the AusLink program, which has not existed for five years—so, $400 million for a $3 billion project from a funding program that simply does not exist. But, then again, he went to the member for Cowper's electorate and said he was going to fund the Coffs Harbour bypass, and the member for Cowper had to ring up the local media and say, 'Only joking; he didn't really mean it,' because it was not part of the program.

Mrs Bronwyn Bishop: Madam Speaker, on a further point of order: he is continuing to act—

The SPEAKER: The member for Mackellar will resume her seat. The minister has the call and will conclude his answer.

Mr ALBANESE: I can understand the embarrassment, but what we have here is fully funded, properly time lined infrastructure projects on this side of the House; on the other side, a grab bag of vague promises with no time lines and no funding for them. I can understand why they are so embarrassed about having a real policy debate about Australia's future. (Time expired)

Energy Efficiency Information Grants Program

Mr BRIGGS (Mayo) (15:16): My question is to the Minister for Climate Change and Energy Efficiency. I refer the
minister to the ANAO report that found the government had destroyed key documents regarding the assessment of 28 energy efficiency information grants costing $20 million. Why did the government destroy these key documents, leaving ‘no record as to how each of the 28 recommended applications have been assessed and scored against the three published merit criteria’? How can Australians trust a government that is prepared to destroy documents to avoid scrutiny of its decisions?

Mr COMBET (Charlton—Minister for Industry and Innovation and Minister for Climate Change and Energy Efficiency) (15:17): The government, of course, are extremely proud of the programs that we have put in place, funded by the carbon price, which is working and which contrary to all the doom and the gloom forecast by the Leader of the Opposition—the end of the world, Armageddon arriving, prices are going to be unimaginably—

Mr Pyne interjecting—

The SPEAKER: The Manager of Opposition Business will desist from screeching across the chamber. The member for Mayo will resume his seat. The minister has only commenced and the cacophony of sound—

Mr Briggs interjecting—

The SPEAKER: Yes, he is shouting to be heard over those on the other side. If we could perhaps have a level of civility, the minister could continue.

Mr COMBET: I certainly am endeavouring to be heard, Speaker, because it is an important message that needs to be registered with the other side and in the community, and that is that every claim made by the opposition leader about the impact of carbon pricing—

Mr Briggs: Madam Speaker, on a point of order: I only want him to deal with the claims about destroying documents on his carbon tax ad campaign.

The SPEAKER: The minister has the call and will refer to the question before the chair.

Mr COMBET: The point that I am making is relevant to the question. Every single claim made by the opposition leader has been demonstrated to be false. What we have seen from the opposition—from the time that carbon pricing, an important economic and environmental reform, was announced—is the most mendacious campaign in our history. This is what it comes to: little questions from the backbench about an error in the department concerning documents for what the ANAO found were excellent programs—sound programs funded from carbon price revenue that are helping local governments, not-for-profit community organisations and many others in the community improve their energy efficiency. If that is all you can come up with, after all this, after the most mendacious campaign that we have seen—every claim demonstrated to be false. Unimaginable price increases—do you remember that claim? The December CPI figures were 0.2 per cent. The annualised rate is two per cent. Jobs are growing. The economy is growing. What happened to the campaign? He says it is all about trust. You cannot trust one word the opposition leader says.

The SPEAKER: Is the member for Mayo seeking to table a document?

Mr Briggs: Presumably he has taken that in writing, because he did not answer one word about—

The SPEAKER: The member for Mayo will resume his seat!

Honourable members interjecting—
The SPEAKER: Order! I was hoping everyone had had a nice break and we could have all played nicely, but obviously not.

Defence Procurement

Dr LEIGH (Fraser) (15:20): My question is to the Minister for Defence Materiel. How is the government working with the defence industry to deliver better equipment and enhanced support for our troops?

Dr MIKE KELLY (Eden-Monaro—Minister for Defence Materiel) (15:20): I thank the member for Fraser for his question and his interest in this important subject. This government has a plan for the future of this country in terms of its security and a plan for our economy and manufacturing. One prime example of that, of course, is the investment that we have made in force protection measures for our troops in Afghanistan. That included unmanned aerial surveillance systems. We have also invested in mine-clearing equipment, new lightweight combat body armour, new combat uniforms and longer-range machine guns. We have upgraded the Bushmaster vehicles so that they are now safer and, of course, the investment we have put into the counter-rocket-and-mortar-fire alert systems that are protecting our personnel in Tarin Kot. We have done this in cooperation with the Australian defence industry, which has the confidence of this government in its capacity and in its capability to deliver the equipment needs of our Defence Force.

As an indication of our confidence, we have invested $445.7 million in programs specifically to assist the Australian defence industry to upskill. We are also interested in supporting their innovative abilities and assisting them to become more competitive internationally.

One of the programs I am talking about is the Global Supply Chain. With that chain we have seen Australian companies win 195 contracts worth about half a billion dollars through that program, 90 per cent of the value going to small and medium enterprises. Australian SMEs are proving they can match it on the world stage, and we are confident in them. This will be important as we move forward to the future submarine program, which will be a major national program for this country in terms of the skills that it will develop and the flow-over benefit to Australian industry and, of course, the capacity of our shipbuilding industry. Of course, this has been done in close collaboration with industry. It is important that we have their input into the innovative and skills capacities that we will need in the future, and they have been a sound partner with us in this endeavour.

I can confirm to the House that the commitment of this government to our defence industry, to our national security and to the men and women of our Australian Defence Force is ironclad.

Ms Gillard: I ask that further questions be placed on the Notice Paper.

STATEMENTS ON INDULGENCE

Grattan, Ms Michelle

Tuckwell, Mr Graham and Mrs Louise

Ms GILLARD (Lalor—Prime Minister) (15:23): Speaker, could I just raise two matters with you on indulgence?

The SPEAKER: The Prime Minister may.

Ms GILLARD: The first is in relation to Michelle Grattan of the press gallery. Before there was a female Governor-General, before there was a female Prime Minister—indeed, before you were Speaker, a woman performing that role—Michelle Grattan was there in the press gallery blazing a trail for women in what was, when she joined it, a very blokey industry indeed. What we can
say about Michelle Grattan, though, is: any woman who has the nickname ‘Cobber’ obviously was able to make her own way in this blokey world.

Michelle Grattan is a watchword in Australian politics and in the Canberra press gallery for work ethic—anybody who has seen her in the press gallery so early in the morning and so late at night can attest to that—for a very old-fashioned devotion to accuracy—indeed, at an earlier stage in my parliamentary career I would frequently joke with Tim that if my phone went at 10.30 at night then it was Michelle Grattan checking copy for the next day—and for a relentless focus on the facts. She will be sorely missed in the press gallery, having announced, as she has, that she is off to The Conversation, so we will get the opportunity of her insights and experience in a different way.

I do ask myself in these circumstances, though: ‘What explains the timing of this announcement? Who spoke to who about this announcement? Who was consulted about this announcement? And how long can this chaos in the press gallery go on?’ I do ask myself these questions. But Michelle does go from the press gallery with the best of our sentiment and I know she will continue to make a great contribution.

On a second matter, Speaker, if I can: I had the absolute delight earlier today to meet with Graham Tuckwell, along with members representing the Australian National University, the Chancellor and Vice-Chancellor. Graham Tuckwell and his wife, Louise, have given $50 million—let me just say it again: $50 million—to the Australian National University for a scholarship program that will provide scholarships of $100,000 for students to meet their residential living expenses. They want to, around the country, find those kids that have just got that absolutely extra-special edge and ability to make a contribution but who would not themselves be able to finance the residential costs of coming to Canberra and studying at the ANU. It is a philanthropic venture of truly awesome scale—$50 million. As soon as I sat down with Graham, I knew that I had found a kindred spirit—someone who shares a passion for education and for ensuring that people get the best opportunities in life. So, with a real sense of thanks, on behalf of the nation, thank you to Graham and Louise Tuckwell; thank you for what you will achieve with this money and thank you for the example that you have given our nation of philanthropy at its best.

Mr ABBOTT (Warringah—Leader of the Opposition) (15:27): I, too, wish to congratulate Graham Tuckwell on his extraordinary act of philanthropy. Fifty million dollars to fund scholarships for people who might otherwise be unable to attend one of our finest universities is a truly remarkable gift to our nation. I believe this would be the largest ever philanthropic donation in Australia’s history—certainly in education—and an absolutely massive contribution. Let us hope that the extraordinary example of Mr Tuckwell and his family is contagious amongst other Australians with the means to be as generous as they can be to worthy causes.

It would be a very different press gallery without Michelle Grattan, but fortunately she is not leaving the press gallery. She may be leaving Fairfax—and I have to say that I think it will be Fairfax’s loss to lose Michelle Grattan—but she is not leaving the press gallery. Instead, she will be bringing online journalism to the press gallery in a big way. I think Michelle's presence as the greatest online journalist of the press gallery will certainly enhance the standing of online journalism in the days and weeks and months ahead.
Michelle is rightly acclaimed as a legend. Everyone who has ever been in this place has come to know Michelle. She is the epitome of professionalism. She is an absolute stickler for accuracy. But the great thing about Michelle is that she is a terrific human being. She is the toughest journalist you will ever encounter, but, while she has a very tough mind, a mind like a steel trap, she has a warm and generous heart. Anyone who has children who comes across her knows of Michelle's affection for kids and the respect and the love that she has for families. So I think we can all be grateful that we are going to be seeing a lot of Michelle in the years ahead and that her departure from Fairfax certainly does not mean her departure from the press gallery or this building.

QUESTIONS TO THE SPEAKER

Foreign Affairs

Mr PYNE (Sturt—Manager of Opposition Business) (15:29): Before I ask my question of the Speaker, I would like to associate myself with the remarks made by the Prime Minister and the Leader of the Opposition in relation to both Graham Tuckwell and Michelle Grattan.

Madam Speaker, in question time, you ruled that the question to the Attorney-General about settlements in the West Bank was out of order. I ask you to revisit that subject after question time for future reference. The former Attorney-General, Nicola Roxon, the member for Gellibrand, routinely answered questions, particularly about tobacco and international law. Most recently, on 16 August, she was asked by the member for Hindmarsh about the international aspects of the tobacco legislation and she answered that question. I would have thought that a question to the Attorney-General about the international law implications of the settlements on the West Bank and of statements by the foreign minister would be in order. I ask you to revisit that subject.

The SPEAKER (15:31): I do not need to revisit the matter. It was the phrasing of the question which was ruled out of order. There was no reference to international law. The question was also asking for a member's opinion.

AUDITOR-GENERAL’S REPORTS

Reports Nos 12 to 20 of 2012-13

The SPEAKER (15:31): I present the Auditor-General's Audit reports for 2012-13 entitled Audit report No. 12, Performance audit—administration of Commonwealth responsibilities under the National Partnership Agreement on Preventive Health: Australian National Preventive Health Agency; Department of Health and Ageing; Audit report No. 13, Performance audit—the provision of policing services to the Australian Capital Territory: Australian Federal Police; Audit report No. 14, Performance audit—delivery of workplace relations services by the Office of the Fair Work Ombudsman: Office of the Fair Work Ombudsman; Audit report No. 15, Assurance report—2011-12 major projects report: Defence Materiel Organisation; Audit report No. 16, Financial statement audit—audits of the financial statements of Australian Government entities for the period ended 30 June 2012; Audit report No. 17, Performance audit—design and implementation of the Energy Efficiency Information Grants program: Department of Climate Change and Energy Efficiency; Audit report No. 18, Performance audit—administration of Communities for Children under the Family Support Program: Department of Families, Housing, Community Services and Indigenous Affairs; Audit report No. 19, Performance audit—administration of New Income Management in the Northern Territory: Department of
Families, Housing, Community Services and Indigenous Affairs; Department of Human Services; and Audit report No. 20, Performance audit—administration of the Domestic Fishing Compliance Program: Australian Fisheries Management Authority.

Ordered that the reports be made parliamentary papers.

Ms Julie Bishop interjecting—

The SPEAKER: Order! The Deputy Leader of the Opposition will leave the chamber now. Reflections on the chair are highly disorderly. The Deputy Leader of the Opposition should know the standing orders—and having such a conversation, deliberately within my earshot, is not within them.

The member for Curtin then left the chamber.

DOCUMENTS

Presentation

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (15:32): Documents are presented as listed in the schedule circulated to honourable members. Details of the documents will be recorded in the Votes and Proceedings and I move:

That the House take note of the following documents:

Australian Broadcasting Corporation (ABC)—Equity and diversity—Report for 2011-12.
Australian Communications and Media Authority—Communications—Report for 2011-12.
Australian Skills Quality Authority (ASQA)—Report for 2011-12.

Department of the Treasury—Tax expenditures statement for 2012.
Foreign Affairs, Defence and Trade—Joint Standing Committee—Australia’s trade and investment relations with Asia, the Pacific and Latin America—Government response.
National Health and Medical Research Council—Strategic plan for 2013-15.
Torres Strait Protected Zone Joint Authority—Report for 2009-10.

Debate adjourned.
COMMITTEES
Constitutional Recognition of Local Government Committee
Reporting Date

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (15:33):

I ask leave of the House to move a motion to amend the resolution of appointment of the Joint Select Committee on Constitutional Recognition of Local Government.

Leave granted.

Mr ALBANESE: I move:

That:

(1) paragraph (13) of the resolution of appointment of the Joint Select Committee on Constitutional Recognition of Local Government be amended to read: the Committee may report from time to time but that it present a preliminary report no later than December 2012 if possible, and a final report no later than March 2013; and

(2) a message be sent to the Senate acquainting it of this resolution and requesting its concurrence.

Question agreed to.

MATTERS OF PUBLIC IMPORTANCE

Budget

The SPEAKER (15:34): I have received a letter from the honourable member for North Sydney proposing that a definite matter of public importance be submitted to the House for discussion, namely:

The adverse impact of the Government’s broken promise to deliver a surplus

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

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

Mr HOCKEY (North Sydney) (15:35): I am a little disappointed that the Treasurer is not here to answer the charge. He made his announcement just before Christmas, and we have not seen him since. That just says everything about the Labor Party in government. We are the parties which offer stability and certainty; the Labor Party only offers chaos. Firstly, they cannot keep their word and, secondly, they cannot manage a budget.

On over 500 occasions—and we have not even started on the other ministers—the Prime Minister and the Treasurer promised to deliver a surplus in 2012-13. The Treasurer alone did so on 366 occasions since 2 May 2010. It is one thing to come out with a promise and forecasts and projections; it is yet another thing to do so with language that is extremely emphatic. Their language was totally unqualified. They benchmarked their capacity to manage the economy against that unqualified promise. They benchmarked their capacity to lift the burden of a rising cost of living off everyday Australians against that unqualified promise to deliver a surplus. They used words such as 'ironclad commitment' and 'failure is not an option.' They said the surplus would be delivered 'come hell or high water'.

These are the words of the Treasurer in this place at the time of the last budget. We all remember it because, when he said it, we all scoffed—because none of us believed it was going to be delivered. But the Treasurer stood in here just seven or eight months back, delivering the May budget, and solemnly said:

The four years of surpluses I announce tonight—

that was about where we scoffed—

are a powerful endorsement of the strength of our economy, resilience of our people, and success of our policies.
He went on to say:

This Budget delivers a surplus this coming year, on time, as promised, and surpluses each year after that, strengthening over time.

No qualification, no talk about revenue like the weasel words we heard from the Prime Minister today. Does anyone really understand what the Prime Minister said today? What she is saying is that she does not know how to explain it. But the Treasurer did not let us down. After setting that benchmark, he went further. In May the Treasurer went on:

The deficit years of the global recession are behind us. The surplus years are here.

Then he gave us a lecture about what a surplus means:

Surpluses that provide a buffer against global uncertainty, and continue to give the Reserve Bank room to cut interest rates for families like it did just last week.

So how appropriate it is that he comes into this place and boasts about the fact that the Reserve Bank did not change interest rates? He is right. These are powerful words; this is not empty rhetoric. Let us go back to the original promise that was made when the Prime Minister solemnly said in a speech to the Australian people after she had knifed Kevin Rudd, for the first time, that the surplus was essential as a benchmark for the economic credibility of the government.

Thank God for television! I apologise to my friends from the print media, but they are all going into TV these days—at any rate—maybe not you, Sid. There are some people who still believe in print, and long may the printed word continue. In the election campaign we thanked God for television because we have it all on tape—all the solemn promises at the community meetings, all the benchmarks about how you cannot run the economy if you cannot manage the budget. It is a bounty of riches. What does it all mean? It all means that the Prime Minister told another fib. It was unqualified. It was emphatic. It was a benchmark for the government's economic performance claim.

Of course the government did not just promise a surplus; they claimed to have delivered it already. On 24 June 2010 the Prime Minister said:

… we saved jobs, stayed out of recession and got back to surplus.

The last time Labor delivered a surplus was in 1989-90—before the member for Longman was born. What a glorious year 1989-90 was. On the eve of Christmas, the Treasurer admitted delivering the surplus was unlikely:

… dramatically lower tax revenue now makes it unlikely that there will be a surplus in 2012-13.

I wonder how the Assistant Treasurer feels about that. I do not quite have it at hand, but I seem to recall the Assistant Treasurer boasting to his constituents in Lindsay that the government had delivered a surplus. Do we all remember that? The member for Lindsay, who has now dropped the tone of his voice a few decibels in an attempt to be earnest, has to explain what happened to the surplus that he said to the people of Lindsay he had delivered. Here it is: it is headed, 'Our strong economy—how is it working for you?'

Commodore, listen to this; do not be distracted by the new Attorney-General. Are you familiar with this? You sent it to your constituents. Under 'Australia's economic report card', it says:

… back in surplus, on time, as promised—in these uncertain global times there's no clearer sign of a strong economy than a surplus.

Come home spinner; come home Commodore—your mission is complete. But we have not finished with you, old china. Now we are getting all the weasel words from the government; more excuses. The Treasurer said:
We ought to be very clear about why this is the case—
That is, why they cannot get back to surplus—
it's not because the government is spending too much, it's because we didn't collect the amount of taxes we expected to collect.

So all of you Australians, you are at fault—you are not paying enough tax. It is your fault. The Prime Minister repeated that today. I could not believe my ears when I was watching intently the Prime Minister's speech at the National Press Club. The Prime Minister was determined to lock in her leadership by committing herself to an election on 14 September. Then she was prepared to commit Australians to more pain. She said Australians are not paying enough tax and that the Australian people are to blame for the government breaking over 500 promises to deliver a surplus this year. So the Australian people are to blame.

The DEPUTY SPEAKER (Hon. BC Scott): Order! The member for North Sydney will refer to members by their seat or their title.

Mr HOCKEY: I am sorry, Mr Deputy Speaker; I am trying to be familiar. I apologise. I am just hoping to encourage them to be more honest with those journalists who seem to sit in caucus. It is hugely important to recognise that this Prime Minister does not accept personal responsibility for her actions. We need to have a leader that is prepared to accept personal responsibility for their actions.

Revenue this year has been expected to increase by $37 billion above last year.

Mr Craig Kelly: Increase?

Mr HOCKEY: Increase—that is, the increase on last year. So this government gets $37 billion of extra revenue and then it blames the Australian people for not paying more tax. That is an 11 per cent increase on last year's tax take, and still they blame the Australian people and say, 'Australians, you aren't paying enough tax.' Of a total budget of around $370 billion—$360 billion, say, of revenue—they say that a $3 billion, $4 billion, $5 billion or $6 billion fall in revenue is 'devastating'. That is why they cannot live within their means. Devastating—a fall of barely one per cent of revenue, and all of a sudden the house of cards comes down.

Look at Labor. Look at what they say and then look at what they actually do. Remember: last year they said they would have a deficit of $22 billion. What happened? It ended up being $44 billion, as the Prime Minister tried to shore up her leadership against the member for Griffith. I it is all about that paradigm. The Labor Party is talking all about itself—about its leadership, about who gets what job, about how it can manage to trick the Australian people. In the meantime, the Australian people have a government that does not care about what they think, does not care about the cost-of-living burden and does not care about the challenges for families in everyday life. This government just cares about winning the election.

It is the Labor Party that has delivered the four largest deficits in Australian history. It is the Labor Party that in five years has borrowed over $200 billion—$200 billion! The interest alone on that is $7 billion a year, and that $7 billion a year would immediately fund the National Disability Insurance Scheme. It would immediately fund the
Gonski reforms. But, instead of that, now we know that Labor is going to increase taxes. Look out, superannuants; look out, every worker of Australia: the Labor Party is coming after you. They have said it; they have background-briefed the media on it: they want to start taxing Australians over the age of 60 when they take their super. That is coming, as sure as night follows day. I say to you, Mr Deputy Speaker Scott, the Labor Party does not have the guts to be honest with the Australian people.

They have more problems. They say to us: 'You've got a problem about the mining tax.'

Mr Bradbury interjecting—

Mr HOCKEY: Well, let me let you into something, old china—

The DEPUTY SPEAKER (Hon. BC Scott): Order!

Mr Dreyfus: Mr Deputy Speaker—

Mr HOCKEY: I'm sorry—old mate.

The DEPUTY SPEAKER: Order! The Attorney-General will resume his seat. The member for North Sydney—

Mr HOCKEY: I am sorry, Mr Deputy Speaker—china plate, mate.

The DEPUTY SPEAKER: I have called member for North Sydney to order once—

Mr HOCKEY: I understand. I am letting you into something, Mr Deputy Speaker.

The DEPUTY SPEAKER: No, no. I asked him before to refer to members by their titles—

Mr HOCKEY: Sure. It was a general statement.

The DEPUTY SPEAKER: and I ask the member to withdraw that—

Mr HOCKEY: China—mate. Let me—

The DEPUTY SPEAKER: You have been asked to withdraw.

Mr HOCKEY: Okay, Mr Deputy Speaker Scott; whatever you want. I withdraw. I would say to the new Attorney—

Mr Dreyfus: Mr Deputy Speaker Scott, I wish to raise a different point of order from the standing orders that you have been drawing attention to, which is that the member for North Sydney needs to direct his remarks to the chair.

The DEPUTY SPEAKER: I thank the Attorney-General for his assistance. The member for North Sydney has the call.

Mr HOCKEY: Mr Deputy Speaker Scott, I say to you that this is a government that cannot live within its means; and, when the government cannot live within its means, it defaults to higher taxes and new borrowings. The Labor Party, over five years, has introduced 27 new or increased taxes. Remember the alcopops tax, the flood levy, the carbon tax and now a mining tax that hardly raises a dollar? Only Wayne Swan could introduce a new tax that hardly raises a dollar and brings down two prime ministers. That man is a genius as Treasurer! And it leaves the budget worse off. Their mining tax package leaves the budget worse off. Their carbon tax package leaves the budget worse off. What does that mean when you add the borrowings, the $200 billion of new borrowings, that Labor is out there collecting? And let's be frank: whenever the government borrows money, it is borrowing future taxes from our children, because someone has to pay the money back.

So the Labor Party's call on the Australian people is higher, much higher, than anything in the coalition years, because when we were in government for 11 years we did not borrow a dollar—not a dollar—but the Labor Party has borrowed over $200 billion. This is what the Labor Party does. It completely trashes the joint, tries to claim the high moral ground and leaves Australians to pick up the
pieces and pay the bills. Labor writ large are a disaster for Australia, and the sooner they are gone the better.

Mr BRADBURY (Lindsay—Assistant Treasurer and Minister Assisting for Deregulation) (15:50): We have seen, over the last couple of months, the full impact of revenue write-downs. In particular, most recently we have seen revenue write-downs of amounts in the order of $20 billion. These, in their broader context, represent the fact that somewhere in the order of $160 billion worth of revenue write-downs have been experienced over the last couple of years. That, in part, has been as a result of the global financial crisis and its ongoing effects. It has been about the impacts of the international economy and the challenges that have been faced right around the globe.

The fact remains that the Australian economy is one of the most resilient in the world. It is indeed the envy of most developed nations across the global economy at the moment. That is a fact that is beyond dispute. For all of the talking-down of the economy that we hear from those opposite, we know that when they travel internationally, as they do, they stand up in international fora and spruik very loudly just how successful the Australian economy has been in getting through difficult global challenges. Of course, we recognise that despite the underlying economic indicators—as strong as they continue to be, as resilient as they continue to be—the multispeed nature of our economy presents challenges across the economy and that there are some people who are not sharing in the wealth that those figures would otherwise indicate might flow through to them.

We make no apologies for having a fiscal policy that will support jobs. That is absolutely central to our DNA. If you look at the record of this government you will see that it was this government which protected the jobs of hundreds of thousands of Australians during the global financial crisis. While we were focused on protecting the jobs of hardworking Australians, those opposite were distracted by a whole range of things. We all recall that the Leader of the Opposition—he was not the Leader of the Opposition back then—did not even show up to vote when the stimulus package was before the parliament. The decision we have taken is that, given the write-downs in revenues, we no longer think it is appropriate to continue to make further cuts in order to return the budget to surplus because we believe further cuts at this stage will jeopardise job opportunities and the prospects of our economy more broadly. That is the decision we have taken in the national interest. If those opposite were honest about the challenges we face as a nation, if those opposite were honest about what has occurred since the global financial crisis, their contributions would be somewhat less hysterical than what we have seen here today.

When it comes to the question of the surplus, those opposite speak as though it is beyond doubt that, if they are returned to government, they will simply return the budget to surplus. It is worth having a look at what they have had to say, because they have been all over the shop on this issue. I saw the member for North Sydney in here with bundles of photocopies. It is not hard policy work over the summer to be sitting at the Xerox machine photocopying pieces of paper to bring in here and to put them on the table and suggest that somehow the size of the bundle of papers you flop down on the dispatch box gives greater weight to your arguments. The only policy document, or anything that resembles a policy document, they have is the little leaflet we have seen them brandishing around. A little leaflet is
not a substitute for real and costed policies. That is what the Australian people are expecting of the people who parade around as an alternate government. With the date of the election now having been determined, there will be increasingly greater pressure on the opposition to come clean not just on their future plans but also on the things they have already announced and on the true impact and cost of those plans.

On the question of the surplus, the little pamphlet—the poor excuse for a fig leaf protecting their lack of policy detail—says 'we will live within our means, get the budget back under control and pay back debt'. It is funny that they do not make a commitment to a surplus. A couple of pages later it goes on:

... we'll immediately establish a Commission of Audit—to identify savings and efficiencies in all areas of government so we can start delivering real and sustainable budget surpluses into the future.

Once again, there is no commitment to a surplus. When Mr Abbott was pressed on the question of the surplus he said, 'We have to see their figures before we can tell you exactly what we'll do.' We know how consistent the economic message has been from those opposite. In fact, on the very same day, when the shadow Treasurer was asked a question on the coalition's commitment to a surplus, he said:

Our commitment is emphatic. Based on the numbers published today we will deliver a surplus in our first year and every year after that.

The Leader of the Opposition says, 'We need more information'; the shadow Treasurer says, 'Don't worry—in our first year and every year in office we will deliver a surplus.' For a mob that want to run an election on the issue of trust, I think they are going to have to do a little bit more than expect the Australian people to make that gigantic leap of faith. It seems that the pressure of the statements made by the member for North Sydney then applied to the Leader of the Opposition, who decided he needed to firm up his position. On 28 January—this was three separate positions on the one-day—when asked: 'Joe Hockey has been saying that the coalition would be able to deliver a surplus based on the numbers available today. Is he right? Can the coalition deliver a surplus?' the Leader of the Opposition said, 'Yes, he is. We believe we can deliver surpluses in each year of the first term of a coalition government.' That was three positions in one day from two people. That is the sort of policy consistency we are getting. Then, the following day, Mr Hockey said:

Our commitment is emphatic … we will deliver a surplus in the first year and every year after that.

It raises the question: if they are so determined, so committed and so certain that they are going to deliver a surplus, why will they not bring forward the policies they are going to take to the Australian people to show how they are going to pay for them? They cannot get the budget back to surplus while cutting taxes, which they tell us they are going to do, and increasing expenditure, as there is so much evidence they intend to do. It just does not add up.

The member for North Sydney announced on breakfast television to the world at large that the coalition does have a $70 billion black hole in their costings brought about by their commitment to repealing the carbon price and repealing the mining tax. But they have failed to be clear and honest with the Australian people about what they intend to do with the associated expenditure, with the compensation and with the other assistance to pensioners and to families and to tax cuts.

Last night on television we saw Mr Pyne say that all of that is up in the air. So, when they run around the country saying they are
going to repeal the carbon price, they also need to come clean on what they are going to do with the assistance. Are they going to rip away the family assistance? Are they going to rip away the increases in pensions? Are going to rip away tax cuts for small business? Are they going to unwind the tripling of the tax-free threshold which will mean that one million Australians will not have to submit a tax return because their first $18,200 will be tax-free?

Are they going to unwind that? Are they going to return it to $6,000? Are they going to do that and slug low-income people, middle-income earners and, in particular, those such as women and part-time workers? Is that what they intend to do? It is about time they became honest with the Australian people. There are only two policies that they have been honest about. They said they would scrap the schoolkids bonus. I noticed over the last week or two Mr Abbott running around saying that he is the best friend that Western Sydney has ever had. He might want to explain to the families of Western Sydney—the families of the 160,000-plus schoolkids whose parents receive the schoolkids bonus in order to support them in their return to school—how he is going to ease their cost-of-living pressures by ripping that money away. What is the impact of this? We know those opposite think that it does not get spent on school expenses.

In the *Penrith Press* last week, Mrs Boorer, a mother with five children, had this to say about the schoolkids bonus: 'While it was always a stressful time—the return to school—it was made easier by the federal government's schoolkids bonus scheme. I've used the money to buy everything for school including uniforms, school shoes, joggers and stationery. I think it's great and I don't know how I would have got the money without it. As it is, the $1,230 we received in January did not cover everything, so without the payment I would have had to put everything on credit.'

The way these characters opposite operate is that they talk about public finances but rip away assistance and rip away support. The net result is that families end up carrying the debt. If you want to talk about debt, have a look at the increase in indebtedness of families in this country over the entire time that those opposite were in office. That might give you a better picture of the impact of their policies.

On the question of when their policies will be ready—the $70-billion question that the Australian people want answered—back in June 2011, Mr Hockey said, 'We intend to release our policies and costings by the end of next week.' We know that did not happen. We also know that Mr Robb, who is in the chamber—he has been pretty quiet of late—also backed the fact that that work had been undertaken and that the policies and costings would be released at that time. But they were not released. We have now heard from Mr Abbott, who says, 'The coalition will release our costings after the government releases theirs, after the budget and before polling day.' Thanks very much for that! Why don't you roll out your policies now and start giving the Australian people the opportunity to measure the impact of those policies?

There has been a lot of inconsistency about when they will actually front up. But I think the person who gets the prize for the best contribution is the shadow minister for foreign affairs, the Deputy Leader of the Liberal Party, who on radio this morning came up with a slightly different take on the timing of the opposition releasing their costings. She was being interviewed by Fran Kelly, who said: 'You'll have all the numbers you need when the budget is released on 14
May, as of budget night. So there'll be no excuse, will there, for the coalition not to move on releasing costings for their policies? Bishop said, 'Well, that's not correct, Fran.' Kelly said, 'Why not?' Bishop said, 'Well, the full impact of the budget is not known until 30 September.' That is after the election. Are you telling us that your position now is that you are only going to front up and provide the Australian people with your costings after the election? If that does not scare the living daylights out of Australians all around this country, then I will tell you what should. It is the fact that those opposite have said that they will do exactly what Campbell Newman did: they will set up a commission of audit and they will call in someone like Costello or some other individual to go through the budget line by line and work out which forms of assistance that are currently being delivered into the bank accounts of Australians all around this country—which payments, which services—need to be ripped away in order to fund the $70 billion-plus black hole that we already know they have. They have a $70 billion black hole because they have made these promises about cutting taxes.

The member for North Sydney was jumping up and down saying, 'We will cut taxes.' What about his monster parental leave tax? It is a $12 billion tax to fund a parental leave scheme that shovels all of these benefits into the wealthiest parts of the country. Who is going to pay for it? Mums and dads and pensioners all around the country will pay for it, and they will pay for it when they pay for their groceries and at the bowser. In addition to that, they want to jack up taxes on superannuation for the lowest paid workers, because that is what you get under a Liberal government. (Time expired)

Mr ROBB (Goldstein) (16:05): Sadly, we start this year as we finished the last—with the member for Lindsay not even spending 30 seconds addressing the subject of the matter of public importance and not spending one second trying to establish how this government may in fact return to surplus. The bottom line is that they have no surplus—we have all heard that from the Treasurer's mouth, after hundreds of comments to the contrary—but they also have no plan. They have absolutely no idea: no fiscal strategy. We saw today the ducking and weaving and the avoidance of the issue. They have no idea how to get this country back on track financially. That is what is eating at the heart of certainty. That is what is eating at the heart of any sense of stability. It is why people are not spending. It is why they are paying off the mortgage. It is why companies are not investing around this country. And now we have the government trashing the messenger. Don't trash the messenger. We are just reporting the facts. As the Prime Minister likes to say, we are reporting the facts. Do not start that time-worn technique of attacking the messenger.

The time has come for the Prime Minister and the Treasurer to stop crying wolf about the economy and to start taking responsibility for the problems that they themselves have created—

Mr Dreyfus: Crying wolf?

Mr ROBB: Yes, crying wolf. It is a common statement. It might be a little bit below the echelons of the High Court and other forums. Crying wolf: we heard it again today from the Prime Minister in her answer to the first question, in her answer to the second question and in her answers to all subsequent questions about the surplus. All we heard was her blaming Treasury; it is all Treasury's fault now. It is all someone else's fault. We have heard endlessly year in, year out that it is someone else's fault; that they never get there because of someone else; that the dog ate her homework today. These are
the sorts of things they are starting to resort to.

The Treasurer says that delivering a surplus is all too hard, and he has given up. He is blaming a shortfall in tax revenue. We heard the Treasurer before Christmas—he is on the record—saying:

But what we've had here is a huge revenue whack if you like, out of the blue, which has made it very hard to get to surplus in 2012/13.

This is nonsense. There is no 'whack out of the blue'. There is no 'whack', in fact. If you look at the Treasurer's own MYEFO documents, the truth of the matter is that, over the first four months of this financial year, revenue to the government went up 9.2 per cent. I can tell you that there are a lot of households in Australia which could do pretty well with an increase of 9.2 per cent in revenue—pretty well indeed. The thing is that revenues are steadily growing but they cannot catch up with the rate of spending. This is the problem. They cannot catch up with the rate of spending—a rate of spending of four per cent ahead of last year already. There is already a four per cent increase. These are the ones who preach about fiscal rectitude, and in the first four months there is a four per cent increase off an already bloated spending base—a result of the excessive spending year in, year out.

Labor do not have a revenue problem. They never had a revenue problem. They have a spending-and-forecasting problem. This is a government that has constantly and deliberately assumed unachievable levels of future revenue year in, year out. At every budget they make these unbelievable forecasts. They then go and spend that money, and when it does not come in it is, 'Woe is me; cry wolf; it's somebody else's fault.' The fact is that they made these unbelievably inaccurate, politically inspired forecasts on revenue, which they never reached, and then they spend it—by God, do they spend it! This government has caused this problem.

If we look at MYEFO, we see that the company Macroeconomics—which is staffed by former Treasury and Finance officials—nailed it. Macroeconomics argues that the budget should already be in surplus by at least $15 billion, or around one per cent of GDP, at this point. How true that is. This is not a question of future surpluses. This government should have been in surplus a year ago. Macroeconomics go on: 'The Treasurer is in this predicament mostly because in the five budgets ending with MYEFO 2012-13 he has a track record as a net discretionary policy spender at around $120 billion, who failed along with his financial fiscal partner, Finance Minister Penny Wong, to ensure a return to surplus regardless of a weaker economy.' That is the point. Sure there was a GFC; it was five years ago, but there was a GFC. We had just one quarter of negative growth. Why did we have that? There are three or four reasons—and long before the stimulus, I might add. We had just one quarter of negative growth because this government inherited a situation where there was no debt. In fact, there was $70 billion in net reserves—a $20 billion surplus.

Firstly, the government inherited the most healthy economy in the developed world. Secondly, this government had the benefit, as it should, from the flexible exchange rate. In the first quarter of 2009, the dollar, you might recall, dropped to 60c. The Chinese bought massive amounts of our resources to capitalise on the 60-cent dollar. We had the biggest trade surplus in the country's history. As well, interest rates dropped 3¼ per cent between October 2008 and the end of the first quarter in 2009. Many families had more money in their pockets because of the reduction in interest rates than they had had.
for many, many years. These things drove economic growth in this country.

Then the government made the second raft of stimulus spending. They always avoid the fact that we said, 'You should support the first one'—and we did. In October there was a crisis of confidence; it needed to be addressed. We recognised it and we supported the government, but they never admit to that—just cheap politics. They are just trying to position us in a way which is totally irresponsible and which misrepresents the facts. The fact of the matter is that we supported sensible, stable spending when it was needed. What we did not support was reckless spending, which was invariably politically inspired, with pink batts and wasteful school halls.

There were lots of other ways in which they could have reduced the cost. If they had really wanted to save jobs they would have reduced the cost of doing business with that spending, not splashed it around on politically inspired initiatives which ended up with the biggest waste in this nation's history. This is a government that had all the benefits. Since then, they have had a 150-year high in the terms of trade. They have wasted the mining boom. They have wasted the great strength of the economy that they inherited all for political gains—all to just parade their spending to incessantly buy votes all around the country.

This is a government which has not sought to govern and manage the finances in the national interest. They have wasted the boom at a time when the rest of the world has found it more difficult—especially the northern hemisphere, where the GFC really hit, not the southern hemisphere. They had this 150-year high. In fact, the terms of trade today are still 30 per cent higher than when the Howard government lost office. You would not think that from listening to the Treasurer. Where is this 'whack out of the blue' if the terms of trade is still 30 per cent higher than it was five years ago? They have benefited from endless increases in revenue and economic growth, but all the while they have wasted it. They have spent it like drunken sailors.

That is why we have a problem.

We will not be lectured by a Labor government that have $120 billion of unfunded promises sitting on the table and that have spent $172 billion more than they have received, have no surplus and have no plan to get back in control of our nation's finances. Instead of a government that must stop crying wolf, we need to have a government that start to take responsibility for the problems that they themselves have created.

Dr LEIGH (Fraser) (16:15): It is a pleasure to rise today to speak on an important issue of economic management. When we talk about the importance of good budget management it is important to remember one simple fact: if the tax-to-GDP ratio today were the same as it was under the Howard government then the budget would be strongly in surplus.

Dr Emerson: By more than $20 billion.

Dr LEIGH: By more than $20 billion, I am informed by the minister. But if the tax-to-GDP ratio under the Howard government had been what it is today then many of their budgets would have been in deficit. That is a simple fact which those opposite cannot deny. Driving things at the moment are two big factors, a double-whammy on revenues. First of all, mineral prices have softened, and that has brought down corporate revenue. Second, the Australian dollar remains high. Why does the Australian dollar remain high? Because Europe is underperforming. With Europe underperforming, investors are looking around the world to where they can
find AAA-rated government debt. And they are finding it in Australia, one of the few countries that maintain that AAA rating. Despite the fact that minerals prices are coming off, the Australian dollar remains high. So this double-whammy hits revenues, and this is the reason that revenues for 2012-13 are $20 billion down from what Treasury projected in 2010.

What should a government do under those circumstances? Prior to Christmas there was a suite of policy advice coming at the government from across the political spectrum. John Quiggin and Warwick McKibbin do not agree on every issue in public finance, but they were among the many economists who were saying that as revenue fell it was not the best approach to fill the government's revenue shortfall by making further budget cuts. The OECD and the IMF were among those saying the same thing. So that was what drove the Treasurer's announcement before Christmas.

But it is important to put this in a broader context. We have had a few bits of history being disinterred over recent times—we have just discovered where Richard III is buried. And, thanks to an IMF report, we have discovered a little bit about past budget practices in Australia. An IMF report released in January examined 200 years of government financial records across 55 leading economies. It identified two periods of fiscal profligacy in recent years. When were those periods? Well, if you listened to those opposite, you would be led to think that it was under the current government. But in fact that is not what the IMF found. The IMF found that those two periods of fiscal profligacy were under John Howard's term in office in 2003 and during his final years in office from 2005 to 2007.

Why did that fiscal profligacy occur? A report by David Hetherington and Dominic Prior from Per Capita called After the party: how Australia spent its mining boom windfall found:

The Howard Government gave at least $25 billion away in tax cuts and concessions … It used another $50 billion on inflated spending programs … As a result, the report concluded, 'we missed the opportunity to invest $75 billion in long-term productive assets'. And the Howard government, of course, was unable to make the tough decisions that have been made under this government.

Stephen Koukoulas has observed that during their combined total of more than 20 years in office the Fraser and Howard governments never once cut real spending. Labor governments have cut real spending on five occasions since the mid-1980s. In the last five years we have found savings of $138 billion, and they have not been easy savings to find. When we means tested the family tax benefits and the private health insurance rebate, those opposite said we were playing 'the politics of envy'. When we phased out the outdated dependent spouse tax rebate, a measure that discourages work by secondary earners, we were told we were attacking the family. When we reduced the baby bonus for second and subsequent children, the member for North Sydney drew comparisons with China's one child policy. That is how serious those opposite are about finding savings.

But you do not have to take my word for it. The IMF's article IV report from 16 November said:

The authorities' adept handling of the fallout from the GFC, their prudent economic management, and strong supervision of the financial sector, has kept Australia on the dwindling list of AAA rated countries.

The \textit{OECD economic surveys Australia} 14 December said:
Adjustment to the mining boom so far has produced favourable results, thanks to the robust macroeconomic policy framework and the largely decentralised wage setting system …

Authorities at the OECD think we have got the balance right on industrial relations, unlike those opposite.

At the same time we have been making the right investments. In my own electorate of Fraser the ANU has seen an increase in enrolments, up from 6,350 to 7,086. That is part of a nationwide increase of 150,000 in student numbers. ANU funding is up $130 million, and 15,000 more students nationally are getting youth allowance. And, as the Prime Minister and the Leader of the Opposition did, I acknowledge the very generous donation today from Graham Tuckwell of $50 million to improve scholarship opportunities at the Australian National University.

This morning I joined the minister for transport, the member for Eden-Monaro, Senator Lundy and the member for Canberra at the sod-turning for the Majura Parkway, the biggest ever road investment in the ACT—$288 million, half federal, half ACT, which could teach the New South Wales government a lesson about co-contribution—an important road which will take the pressure off traffic in my electorate.

By contrast, those opposite have been coy about what will happen if they come to office. Senator Sinodinos said that the opposition was doing something like the dance of the seven veils, which does make one wonder whose head is going to be on the platter. Senator Abetz said that the opposition was offering a policy skeleton and that only further down the track would there be flesh on the bones.

But yesterday the cat was belled in the form of Senator Humphries. Senator Gary Humphries is now facing a preselection challenge from Zed Seselja, who assured the people of Brindabella of his undying loyalty just a few short months ago but has now decided that he would prefer to abandon them for a shot at the red carpet. When querying this on PM Agenda yesterday, the interviewer said that under an Abbot-led government the interests of the people of Canberra would not rate. Senator Humphries said, 'Well, it is a question then of making sure they are constrained in the knowledge that this impacts very badly on one of their colleagues.' Senator Humphries is now admitting that an Abbot government would impact 'very badly' on the ACT.

He said in another interview:

Canberra is going to be facing very heavy pressures. We know that this city will be the subject of some very tough decisions by an incoming government.

We know why that is: the member for Canning, in a previous debate, described public servants as those who feed on others. The member for North Sydney gets the Public Service numbers wrong every time he stands up to speak on them and thinks that there has been an extra 20,000 public servants, a number in which he appears to be including Defence Force reservists as public servants. That now seems to be their new target for public sector job cuts—20,000 public servants. Those opposite say that they have an aspirational target for job creation, but the only policy they have released on jobs is a target for job destruction. It is a target for getting rid of 20,000 Canberra public servants.

Let me just finish with an article that I would commend to members of the House on 'The limits of hairshirt economics' by Tony Abbott, from the Adelaide Review, November 1994. This is an article in which the Leader of the Opposition questioned the floating of the dollar. He said as follows:
The floating dollar remains an article of faith with the leadership of both main parties, notwithstanding its exceedingly dubious outcome for Australia—

(Time expired)

Mr TONY SMITH (Casey) (16:25): We have this first debate of this first day of the parliament this year appropriately on another major broken promise from this government. When we last sat, the Treasurer—who is not present for this debate, as usual—was still insisting that his budget would be in surplus. As the shadow Treasurer pointed out during question time and at the beginning of this debate, the Treasurer, together with the Prime Minister, promised on 500 occasions that the budget would be in surplus this year. Before he departs, I would remind the previous speaker that he gleefully jumped to his feet the day after the budget on a tax law amendment bill, from memory, and talked about how important it was to get the budget back to surplus.

We have had a lot of obfuscation from those opposite, but let me suggest that the previous speaker, who was an economist before entering this place, knows in his heart of hearts that this government's approach to the budget is dysfunctional. He, along with the Treasurer, promised that the budget would return to surplus. I think he believed the Treasurer. But what the Australian people now know is that the only thing you can believe about any government promise is that it will not be delivered.

We started this parliament with the Prime Minister announcing that she would deliver a carbon tax that before the election she pledged would never occur. All of last year, we heard the Treasurer and the Prime Minister proclaiming that they would deliver a budget surplus. 'No ifs, no buts'—that is a quote. All of those quotes, without any wriggle room, were repeatedly defiant. All we know is that, while they were still insisting in the dying days of last year's parliament there would be a surplus, they were preparing to ditch the pledge. That is why they brought forward the mid-year economic forecasts to October. That is why the announcement by the Treasurer was made once he could avoid the scrutiny of this parliament; it was made in the days leading up to Christmas.

If you look at this government's approach, it is not only its fiscal and economic mismanagement that concerns the Australian people, who pay the price for it every day; it is this government's deliberate approach of breaking promises and its looseness with the truth at every opportunity. There have been so many broken promises and so many solemn pledges, but this budget surplus pledge that was broken before Christmas will sum up and define this government right through until election day, an election that was called just a few days ago.

When you look at the words of the Prime Minister and the Treasurer—their defiant words—it is quite clear that the public should judge them on two criteria. The public should judge them harshly on their broken promise and they should judge them according to their own words: 'You can't run this country if you can't manage its budget.' That was a proclamation from the Prime Minister on 14 April 2011. You have heard the other proclamations, day in, day out. Every member of the Liberal and National parties has sat here and heard the Treasurer and the Prime Minister every day promise a budget surplus and outline the necessity for it in terms of budget management, in terms of reducing cost-of-living pressures, in terms of budget responsibility.

All the time, those opposite had their fingers crossed behind their backs, because, when they make a promise and they cannot meet it, they push it out a year. We have seen
it before on their budget management. Straight after the last election, they said that, for the financial year just gone, the budget would be $12 billion in deficit. By May 2011, it was $22 billion. By budget night, it was $44 billion. So it was a blow-out from—let's be generous and forget the $12 billion—a $22 billion forecast to $44 billion, in one year. And now the government expect the Australian people to believe anything they say on the budget. As I said last year in one of the final MPI debates of the year: with that sort of record for accuracy, if Wayne Swan were competing in the archery, the only safe place to watch would be on television. After that speech, the member for Bennelong pointed out that it would be equally safe to stand in front of the target, which he was quite right about!

But the serious point of all this is that the Australian people pay for Labor's failure. Labor's budget failure and budget deceit here in Canberra are paid for by families and small businesses right across Australia. As the shadow Treasurer pointed out, they are paid for in the net interest cost of that debt—$7 billion a year, just to keep it. That is to keep it; that is not to pay a dollar off. The latest projection is $147 billion—when they started with $45 billion in cash in the bank. As the shadow Treasurer pointed out, it is the families of Australia, the children of today, who will have to pay it back tomorrow. Those opposite expect the public to believe that, with their track record of mismanagement and deceit, they can be relied upon by the Australian public. I will tell you what the Australian people and the small businesses of Australia can rely on from the government. If the government have their way, they will do more of what they have done in the last four years. That is the only rock-solid certainty.

Five years ago—a Prime Minister ago—those opposite, including the minister at the table, the Minister for Trade and Competitiveness, were settling into a new government and a new parliament. Just months earlier, the then Prime Minister, the member for Griffith, had said, 'This reckless spending must stop.' Nearly $200 billion ago, he said, 'This reckless spending must stop!' I think those on this side of the House would agree with me when I say that, if you look back at every statement made by those opposite in the lead-up to the 2007 election, from the member for Griffith being a 'fiscal conservative' right through, it is very hard to find a single statement that turned out to be true. But there is one, and it was made by the member for Kingsford Smith, who said to a journalist, in an unguarded moment, 'Once we get in, we'll just change it all.' Hasn't he proved to be right!

Mr RIPOLL (Oxley—Parliamentary Secretary to the Treasurer) (16:35): On this matter of public importance, when we start talking about budgets, fiscal positions, surpluses, deficits and where the country and the economy are at, we should at least start with facts; we should at least make some things clear. The reason we are in the position we find ourselves in today is not a matter of spending but a matter of revenue. Any government and any Treasury, or Treasurer, will understand that your fortunes are based on two things in terms of what you can deliver in an economy, and they are how much you spend and how much you get in. We have been very good in terms of our position and what we have been able to deliver. There has never been a government that has needed to work harder to maintain a strong economy and grow jobs, but that is exactly what we have done. This has been a
great challenge and one that the Gillard-Swan government has met. We have delivered. Not since the Great Depression have we seen a devastating global position where the global economy has collapsed and impacted greatly on the Australian economy. Never has there been a higher demand on the government to get it right, to make sure that, when you swing the pendulum to ensure continued growth and jobs, to ensure the future of the Australian economy, you swing the pendulum far enough that you get it right. If you do not swing that pendulum far enough, you miss the opportunity to save jobs, to continue growth, to look after the people you are meant to be looking after—the Australian public, the Australian community. Never before has an Australian government risen to that challenge in more difficult circumstances, but risen to the challenge we have.

After the global financial crisis and a continued downturn in global economies and markets—something that the opposition seem to flick away and say, 'It's been five years, so why haven't the government fixed it all yet?'—it seems that it is a little bit larger than just the Australian economy. When we talk about the global financial crisis, one that impacts directly on all of the OECD countries, we should at least be honest about the facts, honest about what happened, honest about what we needed to do. We were honest about the tough decisions we needed to make to ensure that we continued the growth and to make sure we continued to have people employed. They were the challenges that we met. At the same time the United States—the largest economy in the world which underpins the global economy—basically went into a deep recession. Europe, the OECD countries and every other economy in the world went into recession, but the Australian economy has remained resilient.

Mr Craig Kelly: China. What about China?

Mr RIPOLL: I will take the interjection, because China is, of course, an important part of our economy. Where have you been for the last 20 years? It is as if the member has just thought of it. The genius on the other side has just thought of saying 'China' because he thinks it has never been mentioned in this place before. Just like every other economy, China has its ups and it has its downs. If you have a look at the data you will notice that China has gone from plus 11 per cent growth to 10, to nine, to 8½, to eight, to 7½ per cent. While China remains a key part of our economy, it is not the only thing that we have and need to maintain.

Opposition members interjecting—

Mr RIPOLL: This is the sort of interjection we get from the geniuses across the other side. Come up with something new! A year 12 student doing a report can come up with just saying 'China'. So, even though all of these things have taken place—

Opposition members interjecting—

Mr RIPOLL: Don't you love it when you get their backs up? Don't you just love it? Don't you love it when you have hit that raw nerve? In 10 minutes they will be up; of course they will.

While all this has been going on globally we have met those challenges, but we have done a little bit more than that. If that was all that we had done then I would probably agree that we just had not done enough. It is not good enough just to say that we have tried to maintain growth—and we have done that—or, since we came to government, create a further 800,000 jobs. If that was it, if that was all that you did, maybe you would be open to some criticism that said, 'Well, you just haven't done enough.'
We did a lot more. When we came to government in 2007 we acknowledged something that had been hanging in the community for more than 20 years—through previous governments—that pensioners were doing it really tough and needed a massive increase. It was a Labor government that delivered that, and continues to deliver that. You cannot just wash that away and put it to one side and say that we did not manage economic growth. In our time in government we saw the creation of 800,000 jobs while the rest of the world lost 28 million jobs. Other economies were going backwards by miles and we had a resilient economy. It is still tough here; we all understand that. This is the point of this. It is still tough here and we still have a lot of work to do. But you need a government that can acknowledge this stuff, work with not only the good news in the good years but also the bad news in the tougher years, and that is what we have done. In fact, we have been recognised for that.

While the opposition were in government for almost 12 very long years—and they crow about their successes—not once could they achieve a triple-A rating across all three ratings agencies. Why is that? Because they did not do a good enough job. It is not good enough to just have money flowing in. What are you doing with it? What are you creating out of that money that is flowing in? Your task is not just to be a simple tax collector; it is about being a wealth creator. It is about creating jobs, creating an economy, productivity, innovation, supporting science, supporting education and supporting families. These are the tough things that we have to do. It is easy to do them when there is plenty of revenue coming in. It is just a little bit harder when those revenues start to diminish.

Opposition members interjecting—

Mr RIPOLL: There is volatility and no-one can argue the volatility case. I will accept that if interjectors from the other side want to come in about volatility, iron ore prices, coal prices, resources and the high Australian dollar. We talk about this every day. You are not telling me anything new. But let's at least be honest about the facts, about the challenges that we all face and about what your response is. What is your response? What are you actually doing?

I am pretty proud to talk about our government's response and the things that we have done. Things that we have done include making sure we have a strong enough economy that has seen successive interest rates fall—decrease—which gives scope to the Reserve Bank of Australia. That means that, since Labor have come to government, families on a home loan mortgage of $300,000 are saving about $5,000 a year. They are saving $5,000 a year more than when the Liberals were in power. That is the difference. At the same time we have tripled the tax-free threshold. For ordinary people it is no longer $6,000; it is $18,200. That is the tax-free threshold. We have gone out there and we have recognised the need that, if you are going to keep an economy strong, you have to empower the people, empower the families by giving some of their hard-earned money back to them, and that is what we have done through the tax-free threshold.

It does not end there. We have recognised cost-of-living issues and pressures. So, what do you do? What is one of the direct ways you can help families, even in tough times? Sometimes you have got to help them a little bit more. You have got to make sure the economy keeps going and you do it through education. What better place could you do it than through education. The School Kids Bonus directly helps families, directly helps young mums and young dads and kids. One
of the things that this mob is going to do if they get in is take that away.

The opposition have a big, giant crater of promises they have made, $70 billion worth, that they cannot fund. It is in black and white. That is what the shadow Treasurer said. How are they going to fund this? Easy. They will strip things away. They will strip away the bonuses for families. They talk about the different elements of how they are going to return to a surplus, but you have to go to the detail of what they are saying. They do not give you a date of when. They made a promise of guaranteeing there would be a surplus in every year of a coalition government, except now they have back-pedalled a little bit. Now they say, 'Well, it's when we can afford it.' There is no date, and they say, 'Well, we'll see.' So it has gone from the rock-solid guaranteed promise of 'every single year' to 'suddenly it doesn't happen' and then 'we will just see what happens in the future.'

I want to remind you about something else, which is really important. How do you build the nation? What do you do for the country? Things like NBN, great infrastructure projects. This government has spent more in two terms—in three terms—on infrastructure than any other government in the past has spent in any of its terms.

**Opposition members interjecting**—

**Mr RIPOLL:** That is true. I am thinking ahead already. We have done more in those terms in delivering on infrastructure, but there is something that is really important in those two terms since we came to government, and that is that the economy today is 13 per cent larger than when we came to office. We have actually grown the economy. It is not something you can argue; it is just a fact—it is 13 per cent larger. You also have to flick the coin the other way and look at what these guys are going to do. They have already told us what they are going to do and it is going to hurt families.

**Mr CHESTER (Gippsland) (16:45):** Given that this is my first opportunity to speak since the summer break, I would like to wish all members and the parliamentary staff a very healthy and prosperous 2013. Like other members, I appreciated the opportunity to catch up with my constituents over the summer break. One of my favourite places to spend some time is my local surf club. There is a bloke at the surf club that everyone knows as Dingo. I turned up there the other day and Dingo said: 'Jeez, there's been some bad news for Julia Gillard: Minister Roxon and Minister Evans are both leaving. But there's worse news: Wayne Swan is staying.' I said, 'Dingo, you're a bit harsh on the Treasurer.' Dingo has got it in for the Treasurer for some reason. I basically tried to defend the Treasurer in the interests of bipartisanship. I do try to defend the Treasurer a bit. I say, 'He's not that bad.' I said, 'It's a hard job to defend him.' But Dingo has been adamant. He has kept saying, 'This Treasurer can't even add up.'

Next Sunday when I see Dingo, I am going to have to apologise to him, because I think he is right. I think this Treasurer really has been treating the Australian people like mugs. This Treasurer has been misleading the Australian people with his repeated promises and repeated assurances that he could deliver a surplus in 2012-13. Honestly, if the treasurer of my local surf club ran the books the same way as this federal Treasurer runs the nation's budget, he would be run out of town. I want to refer to the Treasurer's budget speech on 8 May 2012. There really is no bigger stage for an Australian Treasurer than delivering his plan for the future on that night—to stand before the mums and dads of Australia and explain how the nation's books are looking. This is what the Treasurer had to say. This was the Treasurer's opening line on
the biggest stage of the year, on live television:

The four years of surpluses I announce tonight are a powerful endorsement of the strength of our economy, resilience of our people, and success of our policies.

He is no shrinking violet, our Treasurer, is he? He continued:

In an uncertain and fast changing world, we walk tall—as a nation confidently living within its means.

This budget delivers a surplus this coming year, on time, as promised, and surpluses each year after that, strengthening over time.

That is our Treasurer on his biggest night of the year. He went on to say:

A surplus provides our best defence against dramatic changes in the global economy.

This is probably the best line of all. The speech writer deserves a medal for this one:

The deficit years of the global recession are behind us. The surplus years are here.

There he goes, but, as it has turned out, it was all a con. It is a myth, a mirage—just another Labor broken promise.

Instead of a surplus, we have another deficit heading our way, and it is proudly brought to you by the same Treasurer who has delivered record deficits, one after another, throughout his time in the portfolio. Those opposite would have seen all those polling results, and they are probably wringing their hands trying to figure out what the problem may be and why there is an issue between them and the Australian public. I am afraid that this issue of breaking promises goes to the very core of the public’s mistrust of the Gillard government. If the Australian people cannot believe their Prime Minister when she promises that there will be no carbon tax under a government she leads and if the Australian people cannot believe the very first sentence of the Treasurer’s address to the nation when he delivers his annual budget, why should Australians believe anything anyone in this government tells them in the lead-up to the 14 September election?

The promised surplus was not just a passing mention; it was not something he dreamt up; it was on the biggest stage of the year for this Treasurer. He staked his entire political credibility on it. We have had the shadow Treasurer highlight for us today that the Treasurer has promised this surplus more than 300 times. Actually, the shadow Treasurer said it was 366 times. He used terms like ‘come hell or high water’. As any reasonable Australian knows, we have seen a bit of hell and a bit of high water this summer, but we still have not seen a surplus. We have seen the hell, we have seen the bushfires, we have seen the high water in Queensland, but we are still looking around for that surplus. This Treasurer was so confident about it, I thought I would take him on. I offered to bet the Treasurer a thousand bucks. He was boasting about his forecast surplus and I bet him in this place. I stood up here and I bet the Treasurer. I checked the Hansard just before. On 21 September, I came in here I challenged the Treasurer in his presence—he was in this place with me. I bet him a thousand bucks on his surplus promise. I said that, if he won the bet, I would pay a thousand bucks to his favourite charity, and if he lost the bet he would pay a thousand dollars to my favourite charity. But the fact that he would not take me on says a bit about this Treasurer, because I think he knew even then that he was conning the Australian people. He was misleading the Australian people with his repeated surplus promise even then. He was never prepared even then, in September 2011, to put his money where his mouth is, because that, I think, is increasingly becoming the Australian Labor Party’s way:
they will always spend someone else's money but never their own.

So the surplus promise has gone. It has disappeared. It is going to be replaced by another whopping big deficit, but, interestingly, we probably will not know what that deficit is when we all go to the polls on 14 September. The final figures may not even be in by then. So Australian people will not even know whether the Treasurer has outdone himself and delivered his worst ever result—whether it is going to be a personal-best deficit or just a run-of-the-mill $20 billion, $30 billion or $40 billion deficit. We do not know if it is going to be a personal best or not. We have a Treasurer who has presided over the four biggest deficits in Australian history, so he has got the record, but he is going for the five peaks. Can he top his own performance? It has all added up to the Rudd and Gillard governments combined borrowing $200 billion.

Keep in mind: this is from a government that inherited a budgetary situation of no debt whatsoever and money in the bank. That was the situation it inherited. I have only been around politics 20 or so years; I cannot recall an incoming government being so quiet about the state of the books. Normally the incoming government says: 'Oh no! There's a big black hole and things are worse than we thought!' I think this government came in and said, 'Let's be quiet about this—things are looking pretty good!' But it has managed to destroy it all in five years.

While you are borrowing $200 billion, the Australian people need to understand what that means in terms of the interest bill alone. We are talking $7 billion per year which needs to be repaid by the Australian people.

Mr Hartsuyker: How much?

Mr Chester: That is $7 billion! The member for Cowper is right to ask, because I ask the Australian people listening today: can you just imagine what we could do if we did not have to pay back Labor's debt? Could you imagine if we did not have to pay back the principle but just the interest alone—if we only had to pay back the $7 billion a year? This is Kevin Rudd's and Julia Gillard's gift to our children: this massive debt that they are going to have to repay. Think about what we could do, as members in this place in each of our own electorates, if we did not have to pay back that debt. If we are in the fortunate position sometime later this year to form government, imagine what you could do, the good you could do in your community, with $7 billion per year. Think of the hospitals we could be building. Think of the roads that we will not be able to build because of the debt, and the improved aged-care and childcare facilities—think of all the things we could be doing for regional Australia and the cities. Think of all the things we could be doing if we were not paying back that interest rate bill. It is interesting, because the interest rate bill alone would pay for the National Disability Insurance Scheme.

So, when it comes to economic management, we have this Treasurer and this government failing to deliver any certainty or stability for the Australian people and Australian households. At the same time, they are out there making new promises—casting grand ideas out there and throwing them up in the media as if they had been paid for. But the simple fact is: they have not been budgeted for, and projects like the National Disability Insurance Scheme will never be delivered by a Labor government because even if it wins in September this year it will not have the money to pay for them.
As we have just emerged from a summer of natural disasters, which will obviously have an impact on the budget bottom line, hopefully this government is not going to go back to the Australian people and demand another levy, because prudent governments should be preparing for such events and responsible governments would be making contingencies, in a nation such as ours, for the impact of such natural disasters.

On that note, and in conclusion, I will perhaps finish with a word of caution to members opposite, and perhaps even members on this side: the public will judge us very harshly in this place this year if we are seen to be wasting time talking about ourselves. I can assure you now that people in Bundaberg shovelling mud out of their living rooms do not care about the latest Newspoll, and the Gippsland farmers who are out there today rebuilding fences in my community could not care less if the caucus is leaking to the Australian media. They want us to be focused on their interests—which goes to the very heart of the debate we are having here today.

Those opposite have tried to claim that economic conditions have changed and that is the reason for their major write-down in revenue which has caused this broken promise on the surplus, but the bottom line remains unquestioned: this government is actually receiving more revenue than previous governments but has failed to manage the budget in an economically sustainable manner. Australians deserve better from their government than having this divided and distracted mess. Australians deserve better economic management and the coalition government which can deliver it after September this year. (Time expired)

The DEPUTY SPEAKER (Mr S Georganas): There being no further speakers, the discussion is concluded.

BILLS
Superannuation Legislation Amendment (Further MySuper and Transparency Measures) Bill 2012
National Gambling Reform Bill 2012
National Gambling Reform (Related Matters) Bill (No. 1) 2012
National Gambling Reform (Related Matters) Bill (No. 2) 2012
Customs Amendment (Malaysia-Australia Free Trade Agreement Implementation and Other Measures) Bill 2012
Customs Tariff Amendment (Malaysia-Australia Free Trade Agreement Implementation) Bill 2012
Returned from Senate
Messages received from the Senate returning the bills without amendment or request.
Superannuation Laws Amendment (Capital Gains Tax Relief and Other Efficiency Measures) Bill 2012
Fair Entitlements Guarantee Bill 2012
Higher Education Support Amendment (Streamlining and Other Measures) Bill 2012
Superannuation Auditor Registration Imposition Bill 2012
Superannuation Legislation Amendment (MySuper Core Provisions) Bill 2012
Appropriation (Implementation of the Report of the Expert Panel on Asylum Seekers) Bill (No. 1) 2012-2013
Appropriation (Implementation of the Report of the Expert Panel on Asylum Seekers) Bill (No. 2) 2012-2013
Federal Circuit Court of Australia Legislation Amendment Bill 2012
Illegal Logging Prohibition Bill 2012
Crimes Legislation Amendment (Serious Drugs, Identity Crime and Other Measures) Bill 2012
Australian Charities and Not-for-profits Commission Bill 2012
Australian Charities and Not-for-profits Commission (Consequential and Transitional) Bill 2012
Wheat Export Marketing Amendment Bill 2012
Superannuation Legislation Amendment (Further MySuper and Transparency Measures) Bill 2012
Customs Amendment (Malaysia-Australia Free Trade Agreement Implementation and Other Measures) Bill 2012
Customs Tariff Amendment (Malaysia-Australia Free Trade Agreement Implementation) Bill 2012
Fair Work Amendment Bill 2012
Fair Work Amendment (Transfer of Business) Bill 2012
Treasury Legislation Amendment (Unclaimed Money and Other Measures) Bill 2012
Freedom of Information Amendment (Parliamentary Budget Office) Bill 2012
Corporations Legislation Amendment (Derivative Transactions) Bill 2012
Equal Opportunity for Women in the Workplace Amendment Bill 2012
Personal Liability for Corporate Fault Reform Bill 2012
Superannuation Legislation Amendment (New Zealand Arrangement) Bill 2012
National Health Security Amendment Bill 2012
Dental Benefits Amendment Bill 2012
Tax Laws Amendment (2012 Measures No. 5) Bill 2012
Tax Laws Amendment (Clean Building Managed Investment Trust) Bill 2012
Access to Justice (Federal Jurisdiction) Amendment Bill 2011
Courts Legislation Amendment (Judicial Complaints) Bill 2012
Judicial Misbehaviour and Incapacity (Parliamentary Commissions) Bill 2012
National Gambling Reform (Related Matters) Bill (No. 1) 2012
National Gambling Reform (Related Matters) Bill (No. 2) 2012
Aviation Legislation Amendment (Liability and Insurance) Bill 2012
Law Enforcement Integrity Legislation Amendment Bill 2012
Customs Tariff (Anti-Dumping) Amendment Bill (No. 1) 2012
Customs Amendment (Anti-dumping Improvements) Bill (No. 3) 2012
Privacy Amendment (Enhancing Privacy Protection) Bill 2012
Clean Energy (Charges—Customs) Amendment Bill 2012
Clean Energy (Charges—Excise) Amendment Bill 2012
Excise Tariff Amendment (Per-tonne Carbon Price Equivalent) Bill 2012
Ozone Protection and Synthetic Greenhouse Gas (Manufacture Levy) Amendment (Per-tonne Carbon Price Equivalent) Bill 2012
Ozone Protection and Synthetic Greenhouse Gas (Import Levy) Amendment (Per-tonne Carbon Price Equivalent) Bill 2012
Clean Energy (Unit Issue Charge—Auctions) Amendment Bill 2012
Clean Energy Amendment (International Emissions Trading and Other Measures) Bill 2012
Customs Amendment (Anti-dumping Improvements) Bill (No. 1) 2012
Customs Amendment (Anti-dumping Improvements) Bill (No. 2) 2012

Assent

Messages from the Governor-General reported informing the House of assent to the bills.

Superannuation Legislation Amendment (Service Providers and Other Governance Measures) Bill 2012

Report from Committee

Ms O'NEILL (Robertson) (16:56): On behalf of the Parliamentary Joint Committee on Corporations and Financial Services, I present the committee's advisory report, incorporating a dissenting report, on the Superannuation Legislation Amendment (Service Providers and Other Governance Measures) Bill 2012.

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

Ms O'NEILL: by leave—I thank the House for granting leave and I thank the member representing the opposition there, who is, indeed, a member of the committee.

On behalf of the Parliamentary Joint Committee on Corporations and Financial Services I present the committee's advisory report on the Superannuation Legislation Amendment (Service Providers and Other Governance Measures) Bill 2012, together with the evidence received by the committee. This is the fourth tranche of legislation implementing the MySuper and governance measures of the government's Stronger Super reforms. This tranche will implement further recommendations of the Cooper review and will make amendments intended to ensure that the first three tranches of legislation operate effectively. This bill is part of a significant reform to Australia's superannuation system which this Labor government has implemented.

From 1 July this year, our reforms will replace existing default superannuation products with a simple, low-cost alternative product called MySuper. This means that Australian superannuation customers will be actually able to choose a default product that is simple, transparent and equal across providers. Further, from 1 October employers must make contributions for employees who have not made a choice of their fund to a fund that offers a MySuper product in order to satisfy their superannuation guarantee requirements. This is about making it simpler and easier for Australians to participate in managing their superannuation for the future.

Our reform agenda will strengthen the governance and the integrity of the superannuation system. Significantly, the governing rules of a superannuation fund will no longer be able to mandate that a trustee use a particular service provider. This
will ensure that when entering into arrangements the trustee will be able to exercise its discretion and act in the best interests of the fund's members—and that is really at the heart of all of the four tranches of legislation that have been put before this House. This simply is the fourth one, proposing to make sure that everything is in order as we move forward to get the best results for the Australian people.

The bill also provides for the Australian Prudential Regulation Authority, better known as APRA, to issue infringement notices for straightforward contraventions of the Superannuation Industry (Supervision) Act.

During the hearings, we heard from many participants in the sector that infringement notices will be a very simple way of helping APRA—who know about what is going on with the different superannuation agencies—to make sure that the material gets to the right people at the right time and helps them respond in a way which will ensure that people are getting their fair share of the returns from superannuation. This is in addition APRA’s enforcement toolbox, and it will provide a simple, less costly and less time-consuming alternative to court proceedings.

The government has also included extra protections for super funds and their members against frivolous and vexatious legal actions. This legislation, once passed, will mean that fund members are more informed about decisions that affect them. What is new is that trustees will have to provide reasons for their decisions on complaints.

The time limits for lodging claims with the Superannuation Complaints Tribunal will also be increased. We are doing this to allow more claims to be considered through a fair, economical, informal and quick service. If you are a worker like Sandra in my electorate—a hairdresser who has really missed out on her super because the old system did not provide her with adequate protection or enough time to make her way through that system to lodge a complaint—this change will be most welcome.

This inquiry has added in its own way to the already extensive consultation that has been undertaken for the government's MySuper reforms. The quality of this consultation process has been widely acknowledged throughout the industry and, on many occasions, in testimony given to the committee. For example, at a recent hearing of the committee, the representative of the Australian Institute of Superannuation Trustees stated:

AIST acknowledge the preparedness of government and Treasury to consult with the industry about all of the Stronger Super changes and in particular the matters that are contained within this bill. That is reflected in the changes between the consultation draft and this bill, and it is also reflected in the overwhelmingly positive comments that we and others have made about the legislation in our submissions.

That means we are consulting with industry to achieve very clear goals which are at the heart of this Labor government's mission. Those goals are to protect super; to improve, through that protection of super, the lives of ordinary working Australians; and to ensure for ordinary working Australians, through that protection of super, dignity in retirement.

Those opposite may do a whole lot of searching for headlines—and maybe the headlines tell the stories they want to hear—but at this government's heart are the heartlines which connect us with care to the people we are here to represent. We are here to talk about real solutions, but what those on the other side have in mind are real reductions. Nonetheless, this piece of
legislation will stand the test of time and make sure that Australians get a fair go out of their superannuation system.

On behalf of the committee, I commend the government and the Treasury for their ongoing engagement with the industry. I note that Treasury has recently met again with stakeholders to discuss remaining issues, such as the product dashboard, to ensure that the right outcome is achieved. The product dashboard is essentially a tool to help people who find the whole concept of superannuation so overwhelming that they just get their letters and put them in the bottom drawer. Without help, that pile might grow and people might not engage. We know that that is the case for far too many Australians. A product dashboard is simply a device to enable people to make a comparison across the different players in the superannuation sector—to help them find the product which might be best for them.

As a committee we have been responsive to the concerns of stakeholders and have made recommendations about the drafting of certain provisions. The recommendations made by the committee are intended to improve the day-to-day operation of the bill but do not deviate from the intent or principles which underpin the reform this government is delivering.

This is a bill which further supports the work this government is doing to provide a better superannuation product to Australians. I thank the industry for their assistance and their support in these measures, and I thank them for their ongoing and very full and fruitful participation in the hearings of the committee.

This bill provides further measures that add to the reform agenda to improve the integrity and governance of the superannuation industry. That means a better future for ordinary working Australians, who can be confident that this Labor government, in the tradition of the Labor government which established super, is now governing to make sure that legislation is in place to ensure their dignity in retirement after their many years of working and contributing to the country. I commend the report to the House.

Aboriginal and Torres Strait Islander Peoples Recognition Bill 2012

Report from Committee

Mr Oakeshott (Lyne) (17:05): On behalf of the Joint Select Committee on Constitutional Recognition of Aboriginal and Torres Strait Islander Peoples, I present the committee's advisory report on the Aboriginal and Torres Strait Islander Peoples Recognition Bill 2012 and I seek leave of the House to make a short statement in connection with the report.

Leave granted.

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

Mr Oakeshott: This bipartisan act of parliament is progress. It is a baby step forward, but it is progress. It is not what was agreed at the start of this parliament, but it is progress. It is not what was promised by both major parties at the 2010 election, but, again, it is progress.

Despite this bipartisan act of parliament, the Australian Constitution remains a document written on the premise of race. It was written at a time when Aboriginal and Torres Strait Islander peoples were considered under law to be akin to flora and fauna. Key figures from the Constitution was written, such as Australia's first Prime Minister, Edmund Barton, who is immortalised in bronze in my home town of Port Macquarie for his Federation work, are quoted as saying that people of colour are an inferior people. This premise of inferiority of
coloured people remains in law today. It remains in our lead document, and it is with sadness that I note that this Australian parliament still feels that we, as a nation, are not yet ready to remove it.

How section 25 could remain in law in Australia in 2013 is beyond me. It reflects on all of us as Australians that we have allowed this to happen and that we feel little need to count all humans, of all colours, for voting and population purposes. It reflects on my region that section 25 remains.

The Mid-North Coast has very large and proud Aboriginal communities—from Biripai country to Dhunghutti lands. Our history has been difficult post-European settlement, with books like Baal Belbora leaving any reader deeply troubled about our region's history of how first settlers and first peoples worked out—or, often, did not work out—issues of conflict.

This history should not mask the many positives at a regional level. Some of the most wonderful contributions to community building have come from local first peoples. The recent Saltwater Freshwater Festival in Taree on Australia Day showcased a lot of this history and a lot of this contribution, in a positive way, and I invite all who think about this topic to Kempsey in 2014 for this positive Australia Day event. It is just one example in a long and positive history of engagement that sits parallel to many difficult stories. When I attended the Saltwater Freshwater Festival this year, in the pouring rain, this section 25 sat in the back of my mind, and as I looked around I saw wonderful people doing wonderful things who still, under our lead document, could be discounted for voting or for population head counts. How could we, in Australia in 2013, allow this to remain?

At the most personal of levels, due to the sheer luck of cupid's arrow I have had the joy of marrying into a very proud Yow Yeh mob of South Sea islanders and Aboriginal Australians from Bahili lands. I feel deeply honoured to have married into such a rich history of Australia as well as to have married a beautiful woman and my best friend. It is an honour that comes with all the challenges of the Koori grapevine that is part of the package. I just cannot remove the personal from this issue, because this one is personal. It is personal for me, as I know it is personal for many others. I ask you all in this chamber—this chamber that is in danger of dragging its feet on this issue—how you can defend current Australian law that treats my children, my very Australian children, as inferior in law; I ask how you can defend current Australian law that treats my wife, my very Australian wife, as inferior in law; and I challenge you to defend current Australian law that says my extended family, my wildly Australian extended family, is somehow inferior in law. How dare the law say that.

So, while I am not opposed to this bipartisan act of parliament, I urge all MPs in political parties to keep their leadership honest and urgent on this matter. We have now established a two-year window to do something and fix our laws and make them fair for all. We would, once again, let down all Australians if we failed to grab this bipartisan opportunity that has now been created. I am not aware of one single MP or senator of any political persuasion who would, in 2013, agree with Australia's first Prime Minister that coloured people are an inferior race. I therefore cannot understand why getting the political parties in 2013 to agree on a detailed question to be put or a process that delivers on the obvious—the agreed and promised changes so necessary for the heart of our modern Australia—is like trying to herd cats.
It would be remiss of me not to acknowledge and pay respect to the mix of views that remain within Australian first peoples about this process of constitutional recognition. While my anecdotal evidence is that most are strongly supportive of steps taken, some are wary, some are weary, and some continue to hold out for more. All I can offer as one MP is that, from my personal stance, I remain engaged on all concerns about issues of sovereignty and concepts of treaty. I remain engaged on the reasons that constitutional recognition is important and the implications behind why it is important in moral and legal thinking, and I remain engaged in wanting to make sure we get this right.

Personally, and I emphasise this is very much a personal view, I do not think constitutional recognition is the end in itself; constitutional recognition is the means to the end. The Australian Constitution is, I hope we all agree, a living document, and reconciling the many wounds from a different time will take a long time and a lot of work. In that context, as hard and as challenging as constitutional recognition will be, it is from my perspective really just another important step. As 1967 was and as the 'sorry' speech was, this has the potential to be another step forward.

So the 43rd Parliament, with this proposed act of parliament, is starting to lay the foundation stones. We have done the funding for Reconciliation Australia for the Recognise campaign, which I hope most if not all MPs have now seen begin. The act of parliament starts to outline a process of progress, and we have at the least found the bipartisan boundary. Now, as we head to elections for the 44th Parliament, we need to find agreement from the major parties on the detailed question, we need to raise awareness in the community on the importance of this issue, and we need to do it all within the next two years. That is the great challenge of this parliament, and that is the great challenge for all Australians.

This matters—it matters a lot for the culture and the heart of a modern Australia. I hope that bipartisanship can reach across that table in the middle and make it happen, and I hope that the Australian community recognises that there is still a premise of race in the lead document of the laws of this land. It is time it changed.

COMMITTEES
Economics Committee
Report
Ms OWENS (Parramatta) (17:14): On behalf of the Standing Committee on Economics, I present the committee's report on Australia's oil refinery industry, together with the minutes of proceedings.

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

Ms OWENS: by leave—Australia is a net exporter of energy and has a positive energy future. In relation to oil, though, Australia is a net importer.

Following the closure of the Clyde and Kurnell oil refineries in New South Wales, refinery capacity in Australia will decrease by about 28 per cent and leave five operating refineries. Domestic refiners will produce just over half the fuel consumed in Australia, with the remainder being imported. Consequently, concerns have been raised about the viability of Australia's oil refinery industry, and the potential impacts of declining domestic refinery capacity on the economy, energy security and employment in the sector.

The most pessimistic view is that this is the beginning of the end of Australian refining, and the most optimistic view is that there is a future for Australian refining, albeit under increasing competitive pressure.
The committee noted that during the last decade the oil industry has invested over $9 billion in its Australian refineries.

While Australia's proximity to the Asian region with its new mega-refineries does pose some challenges for domestic refineries, it also provides us with opportunities to take advantage of Asia's surplus refining capacity and to continue to strengthen supply chains in the region.

The changes in domestic refining capacity to date will not impact on Australia meeting its liquid fuel requirements. There are reliable, mature and highly diversified international fuel supply chains which provide Australia with economic security. The Australian Institute of Petroleum and refiners were confident about the reliability of Australia's supply chains and infrastructure to continue to meet local fuel demands, as it has done over many decades.

The key to our high energy security is our access to well-functioning markets for liquid fuels and supply chains with a high degree of resilience. This means that Australia can source its liquid fuel needs from a diversity of sources so that if one source becomes unavailable other sources can meet demand.

The energy white paper noted:

Our lack of oil self-sufficiency and the prospect of further refinery rationalisation does not in itself compromise or reduce our energy security …

The closure of the refineries will not lead to negative price outcomes for consumers. Australian fuel prices reflect an import parity price, which is the price in international markets. The Australian Competition and Consumer Commission was clear in its advice to the committee that, as a result of import parity pricing, the retail price of petrol is not impacted by refinery closures. However, refinery closures do result in job losses. Evidence presented showed that the people employed in the oil refinery industry are highly skilled, productive and, as indicated by the average length of service, extremely loyal.

Where closures are inevitable, reducing undue stress and assisting workers to adjust to changing employment circumstances should be a priority for both industry and government. This can only occur where there is a level of certainty for workers, and targeted support. To date, structural changes have occurred in a relatively orderly manner, with long lead times between closures being announced and a workforce having to adjust. Efforts to redeploy and reskill displaced workers must remain a priority.

The committee believes that there is a future for Australia's domestic refining industry as part of our diverse and robust oil supply chains. Market forces will continue to operate to determine when a specific refinery is commercially viable and, where closures are inevitable, to adjust the supply chain to help ensure Australia's continued economic and energy security.

On behalf of the committee, I thank the organisations that assisted the committee during the inquiry through submissions or participating at the roundtable hearing in Canberra. I would also like to personally thank the people who came to that hearing representing the workers at Clyde, in my electorate, who are suffering from the closure of the Shell refinery. I also thank my colleagues on the committee for their contribution to the report, and the secretariat, who did an extraordinary job in a really complex area, largely over the Christmas break.

I commend the report to the House, and I move:

The DEPUTY SPEAKER (Mr S Georganas): In accordance with standing order 39, the debate is adjourned. The
resumption of the debate will be made an order of the day for a later hour this day.

Report and Reference to Federation Chamber

Ms OWENS (Parramatta) (17:18): by leave—I move:

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

Question agreed to.

Human Rights Committee Report

Mr JENKINS (Scullin) (17:19): I present a corrigendum to the seventh report of 2012 of the Parliamentary Joint Committee on Human Rights, entitled Examination of legislation in accordance with the Human Rights (Parliamentary Scrutiny) Act 2011, Bills introduced 29 October-1 November 2012, Legislative instruments registered with the Federal Register of Legislative Instruments 17 October-16 November 2012.

BILLS

Crimes Legislation Amendment (Organised Crime and Other Measures) Bill 2012

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

(Quorum formed)

Mr KEENAN (Stirling) (17:22): It is great pleasure to talk on the Crimes Legislation Amendment (Organised Crime and Other Measures) Bill 2012. Serious and organised crime is a genuine national security issue for our country. It threatens our economy, it threatens the well-being of the Australian people and it threatens our way of life. The opposition believes that all the resources and focus of the federal government must be brought to bear on this issue. It is very difficult to get an accurate estimate of the financial cost of organised crime to our community, but it is certainly very significant and, by some estimates, would be up to $15 billion. So the impacts of organised crime are serious not just for those directly affected but also for the community as a whole.

Sadly, since the government changed in 2007, the Labor government has pursued policies which have made it easier for criminals to prosper. They have made it easier by savaging our law enforcement agencies, by occupying the time and efforts of those law enforcement agencies on their self-induced border protection crisis and by failing in their duty to properly police what comes in and out of our country. Since they have come to government, Labor has axed 750 staff and significant funding from the Australian Customs and Border Protection Service, leaving our borders vulnerable to infiltration by serious criminal syndicates. Slashing funding for Customs has meant more opportunities for criminals to put drugs and guns onto our streets.

We saw shocking revelations late last year of Customs officers being directly involved in corruption at Sydney airport, including allegations of aiding drug traffickers and laundering money for the very bikie gangs that are terrorising Sydney streets. Under Labor, less than 10 per cent of air cargo and less than five per cent of sea cargo are inspected when they enter Australia's borders, giving criminals a better chance of successfully smuggling weapons, drugs and other contraband into our community.

Extensive cuts to the Australian Crime Commission mean that the Commonwealth's capacity to provide intelligence on organised crime is severely limited. Similarly, cuts to the Australian Federal Police have impacted on their ability to function to their full capability. These cuts have come at a time
when an enormous amount of police and law-and-order resources have been directed to dealing with Labor's self-induced border protection crisis—a crisis that has seen over 32,500 people smuggled illegally into Australia on 557 boats.

If the Minister for Home Affairs and the Labor Party were serious about stopping organised crime, the first thing they would do is not lecture the states about what the states should be doing. The first thing the federal Labor Party should do is do properly the job they have been given by the Australian people. It is an unfortunate fact that the cuts they have inflicted since they have come to office have allowed criminals a better chance of getting guns and drugs onto our streets. All of this is happening at the same time as they have reduced funding to our law enforcement agencies, such as the Australian Crime Commission, the Australian Customs and Border Protection Service and the Australian Federal Police. The Commonwealth government is just not pulling its weight in this area. In fact, they are systematically undermining the ability of the federal government to fulfil its law and order responsibilities.

While making legislative changes is not in itself enough to tackle organised crime, clearly the right legislative framework gives our law enforcement agencies a more workable way of tackling this very serious issue—and unexplained wealth laws are a very important part of that. This bill seeks to implement some of the recommendations made by the Parliamentary Joint Committee on Law Enforcement, which inquired into the Commonwealth's unexplained wealth legislation and reported early last year. The committee made a total of 18 recommendations. Unfortunately, this bill implements only six of them. I am particularly disappointed by the failure of the government to embrace the recommendations of that parliamentary committee which involve the Australian Crime Commission pursuing unexplained wealth orders. The ACC has significant coercive powers to force witnesses to answer questions, and those significant powers—which are unavailable to other law enforcements agencies—would have been very helpful in pursuing proceeds of crime. But this is an agency that has been systematically attacked by the ALP for funding and staffing cuts. As a committee member I am disappointed to see that the recommendations which specifically recommended that the ACC be given this extra role have not been embraced in the legislation presented to the House by the government. I would like to have seen the government act faster to implement the other recommendations. I note that they have not formally responded to that report, even though it was handed down almost a year ago. Despite this, the coalition welcomes the measures contained in this legislation to strengthen our proceeds-of-crime framework. This will help our law enforcement agencies target criminals and crack down on organised crime.

I turn now to some of the specifics of the bill. Part 1 of schedule 1 implements recommendations made in the committee's final report. During the course of the committee inquiry, the Australian Crime Commission informed the committee that serious and organised crime groups continue to prove resilient and very adaptable to legislative changes, law enforcement intelligence and investigative methodologies. I remember very distinctly that they said that the best way to tackle organised crime is to remove the proceeds of illegal activity. That is one of the most significant deterrents we can have to unlawful activity. The police in particular gave us some very vivid examples of hardened criminals who were reduced to
tears when the police confiscated their luxury cars. This really hits criminals where it hurts—taking away the proceeds of their illicit activities. Indeed, doing that is one way to deliver heavy blows to organised criminals.

That is why it is vitally important that the Commonwealth has a proceeds of crime framework which actually works and which our law enforcement agencies can use effectively to tackle organised crime.

The Senate Legal and Constitutional Affairs Legislation Committee is currently inquiring into this bill. The Australian Federal Police Association and the Police Federation of Australia were supportive of it, particularly the measure to remove judicial discretion from unexplained wealth orders, noting: 'We would like to publicly state that we support the removal of judicial discretion for unexplained wealth restraining orders, preliminary orders and final orders. This brings unexplained wealth into line with other kinds of proceedings conducted under the Proceeds of Crime Act.' Both the PFA and the AFPA have been long-time supporters of strengthening Australia’s unexplained wealth laws and have voiced their concerns about the weaknesses in the existing Commonwealth regime. I note that both of those agencies do a very good job of representing the voices of police men and women across the AFP and, more broadly, across the state and territory policing agencies. Since I have become shadow minister for justice, customs and border protection, they have spoken to me about the deficiencies within the current Commonwealth proceeds-of-crime framework.

The bill also makes amendments to expand existing cross-border firearms trafficking offences in the Criminal Code and to introduce new aggravated offences for dealing in 50 or more firearms and firearm parts. The bill's explanatory memorandum notes that the amendments are aimed at expanding existing cross-border trafficking offences in the Criminal Code to deal with firearm parts.

The coalition is particularly proud of its record in taking dangerous guns off our streets and therefore tackling gun crime. As all Australians will remember, in April 1996, Martin Bryant, a very disturbed man, used a semi-automatic rifle and a semi-automatic assault weapon to kill 35 people in a murderous rampage in Port Arthur, Tasmania. At the time, newly elected Prime Minister John Howard made the controversial decision to reform gun ownership laws.

Mr Champion: Courageous.

Mr KEENAN: And it was a very courageous decision. Of course, it was highly controversial amongst owners of guns in the community, who rightly said that they had not committed these crimes and had lawfully owned these weapons. To take these weapons off the street involved an enormous amount of political courage from the Prime Minister and his cabinet at the time. Members of parliament had to go out and talk to people about why they believed it was necessary to crack down on these sorts of dangerous weapons. I think it is fair to say that, despite the controversy at the time, those gun laws have been incredibly successful in reducing our gun related homicide rate. They have also reduced the suicide rate in Australia. The Australian Institute of Criminology found that gun related murders and suicides fell sharply after those laws were introduced 1996. In the 18 years before the 1996 reforms, Australia suffered a rather astonishing total of 13 gun massacres—a massacre being a gun crime with more than four victims—causing over
100 deaths. I note there has not been a single massacre since 1996. Those figures probably provide some salient lessons for our friends in America. I do not think that any Australian would deny that today our country is safer as a consequence of the coalition's bold changes to gun ownership laws.

The coalition knows that organised criminal syndicates now seek to import their illegal guns from overseas. Sadly, I do not think this fact is sufficiently acknowledged by the present government. Indeed, the minister refuses to acknowledge the extent of the problem, even with evidence of illegal guns slipping through our borders and coming into New South Wales, as was the case with the Sylvania Waters post office in Sydney when in March last year 220 Glock pistols from Austria were imported via a gun dealership in Germany, using falsified documents. This was not discovered by the federal law enforcement agencies which are tasked with policing our borders. It is important to make the point that it was the New South Wales Police that discovered this significant importation of pistols. This highlighted the devastating effects of Labor's cuts on our border protection agencies, in that the Federal Police no longer had the ability to pick up such a significant importation of illegal firearms.

The cuts have meant a significant reduction in the higher rates of cargo inspections that were occurring under the previous government. When we left office in 2007, 60 per cent of air cargo consignments were inspected by Customs and Border Protection. Labor's significant cuts to the Customs cargo-screening budget has meant a staggering 75 per cent reduction in the percentage of air cargo inspections conducted under the coalition. We have seen a similar decrease in sea cargo inspections.

Labor's cuts have resulted in a $22 million funding cut to the Australian Crime Commission—the agency which, to my disappointment, is not more heavily involved in policing unexplained wealth. The astonishing number of 144 personnel have been taken out of the Australian Crime Commission. It is not a large agency, so that cut represents about 20 per cent of its personnel.

Labor say they want to be taken seriously on law and order issues. You cannot be taken seriously when your record since coming into office has been to cut the Australian Federal Police, to savage Customs and Border Protection and to savage the Australian Crime Commission. Labor have demonstrated year after year a blatant disregard for tackling organised criminal activity by targeting these key Commonwealth law enforcement agencies for vicious cuts. The Australian Federal Police has been subjected to a $265 million cut since the Labor Party came to office.

Mr Bowen: Is there any chance of talking about the bill?

Mr KEENAN: These funding cuts to Customs, the ACC and the AFP have clearly had a significantly impact on the ability of federal law enforcement agencies to do their job properly. The minister at the table says, 'Is there any chance of talking about the bill?'

This bill deals with the smuggling of guns across state borders. The point is that, when you cut resources—the number of personnel available—to Commonwealth law enforcement agencies, it impacts on the ability of those agencies to do their job. This is the problem with the government. They are more interested in spinning away their failure than they are in doing something to tackle the problems which their cuts have significantly contributed to.
We are supportive of measures to combat gun crime. We are particularly supportive of anything we can do to take guns off our streets. Sadly, we are seeing on our streets the impact of these cuts to Customs. More and more guns have been smuggled into our country because of the very significant cuts that the Labor Party have made since they came to office. We in the coalition believe that the Commonwealth should do its job properly. The law enforcement role of the Commonwealth is to increase the ability of the states to fight crime. Of course, the states have primary responsibility for law and order within their home jurisdictions, but when the Commonwealth is not policing its borders and it is cutting Commonwealth law enforcement agencies then we are making the job of state law enforcement agencies harder. That has to stop.

This Labor government has systematically made damaging cuts, and this has placed an enormous burden on our state police forces, who are called upon to deal with the consequences of more illicit drugs, more contraband and more illegal firearms on our streets because our borders have been penetrated by organised criminal syndicates. If the Minister for Home Affairs is serious about tackling organised criminal activity—and he says that he is—the first thing he should do is seek to rectify the damaging cuts that have been made to the agencies which he is responsible for. But unfortunately we have a minister who has not proved capable of doing that to date and, until he does so, he cannot be taken seriously when he comes into this place and says that law and order is a significant priority for the Labor government.

The priority for the Labor Party at the moment seems to be to deflect blame for the fact that we have had this spike in the number of weapons coming into our country because of these cuts and their impact on our borders. Clearly, if you are going to cut resources—if you are going to cut the number of personnel in our agencies—it is going to hamper the ability of law enforcement agencies to do their job. You cannot possibly believe that these savage cuts will not have an impact on our law enforcement agencies to do what we expect of them.

Due to the nature of the measures proposed in this bill, it is right and proper that it have an airing within the Senate committee process, and the Senate Standing Committee on Legal and Constitutional Affairs is due to report back on the bill by 13 March. We will be scrutinising what they have to say once they report. Clearly, we will reserve our right to move amendments in the Senate if they highlight areas in which we should do so. We do support the measures contained within this bill. It is important that the Commonwealth have a workable proceeds-of-crime and wealth confiscation program, but, sadly, we do not believe that implementing six of the 18 recommendations that the committee—which was chaired by the member for Fowler, who is due to speak after me—reported on will achieve that. The member for Fowler will not say this, I suspect, but I am pretty sure that he will be very disappointed in his government's response, because he takes his responsibilities on that committee very seriously. He listened to what the police forces around the country had to say to us about these matters. So we will look to rectify and strengthen this framework when we come to office. But, until Australia gets the election it deserves, we will support these measures, albeit reserving our right to make appropriate amendments if the Senate committee highlights areas in which we should do so.

Mr HAYES (Fowler) (17:41): I rise to support the Crimes Legislation Amendment
(Organised Crime and Other Measures) Bill 2012. The bill will amend the Criminal Code Act 1995 and strengthen our nation's fight against organised crime. The bill does this primarily by strengthening the laws related to the illegal firearms market, with the proposal to reduce firearms related crime nationally. The bill will also amend the Proceeds of Crime Act 2002 and enhance our law enforcement agencies' ability to attack organised crime by targeting unexplained wealth.

When I first came into this place, following a by-election in 2005, I indicated in my first speech that issues such as drug related offences and firearms offences were not just matters for state and territory police. I indicated that these the importation of weaponry or drugs was something which the Commonwealth had a very clear and abiding responsibility for. I am pleased to say that this legislation follows the sentiments that I expressed in 2005, with the Commonwealth taking greater responsibility in the fight against organised crime.

We understand that organised crime is a business and that, like any other business, will look for windows of opportunity. It will exploit state and territory boundaries; it will exploit constitutional difficulties. Therefore, it does require the Commonwealth, together with state and territory bodies, to be able to work in a cooperative manner to defeat the ravages of organised crime in our society.

This bill creates new aggregated offences for trafficking 50 or more firearms or parts of firearms within a six-month period across state, territory or national borders. It increases the punishment for such serious offences to life imprisonment or 7,500 penalty points or both. It also, importantly, brings the maximum punishment for trafficking firearms in line with drug trafficking, recognising that the illegal firearms market poses as great a challenge to our law enforcement agencies and to the community at large as does drug importation and distribution. Interestingly, the Australian Crime Commission has estimated that the current market for illegal firearms in this country is about a quarter of a million firearms. Notwithstanding the illicit market, the total estimation of firearms throughout our community is 2.75 million. Therefore, it is very important that we keep track of legal firearms as well as be able to monitor those that fall into the illicit market. The fact is that, once these firearms are in the market, they can circulate for many years.

It is strange to relate that, even in the 2002 gun buyback, not many of the criminal elements would have traded in their weaponry at that particular time. With all the gun theft that we see—that is, theft of legal weapons, which come into the illicit market, which is one of the major concerns for most of our security agencies—these weapons will stay in circulation for a long time.

Increasing the maximum punishment for firearms trafficking is just one part of a much larger campaign to strengthen Australian gun laws. One of the other measures includes the establishment of a single national firearms register with a database of all weapons used in crime. This register will link together the 30 separate databases currently being used and, hopefully, prevent another 14,000 firearms being lost into the illicit market. We are also strengthening our firearms laws by establishing the Australian Ballistics Identification Network, which is able to analyse and link firearms obtained through previous crimes; by raising community awareness; and through more extensive training in firearms for Australian law enforcement agencies and other organisations. Illegal firearms trade is often a significant aspect of the work of the serious and organised crime groups. This bill ensures
that we are better equipped to tackle the illegal firearms trade and, therefore, minimise the effect of firearms on our community.

Importantly, the bill also amends the Proceeds of Crime Act 2002 to improve our nation's ability to use unexplained wealth as a tool of law enforcement to combat serious and organised crime. It is important to me because, as chair of the Parliamentary Joint Committee on Law Enforcement, I am proud to see that the recommendations made through the committee's extensive inquiry into the Commonwealth's unexplained wealth laws are being adopted. Those recommendations were a bipartisan opportunity for members of the committee to come together and seriously look at the contemporary tools that our law enforcement agencies need to combat serious and organised crime. As a matter of fact, my committee has never once had a minority report. I commend all members of the committee for approaching their jobs seriously and with diligence.

The law enforcement committee has been working pretty hard in relation to unexplained wealth because we see this as one of the key methods of targeting serious and organised crime. Specifically, the amendments will broaden the search and seizure provisions to enable materials relevant to unexplained wealth proceedings to be seized by officers executing a search warrant. It will also allow the court extended time for the serving of notice of unexplained wealth orders and will also provide for increased scrutiny of those bodies, principally the Australian Federal Police and the Australian Crime Commission, where these powers are used and greater scrutiny by the Parliamentary Joint Committee on Law Enforcement.

One thing that is quite apparent is that, in terms of policing and law enforcement, regrettably we as legislators will inevitably have to increase powers in order to protect our communities. Again, on a bipartisan basis, with the increase of those powers comes an increased level of oversight, and that is certainly the case in respect of the Australian Federal Police and the Australian Crime Commission.

I have nothing but respect for their officers— for the dedication and commitment they show in combatting crime—but in terms of protecting the integrity of the powers, and the circumstances in which those powers can be used, it is only appropriate that the level of oversight be at the high level we currently have.

In order to prevent and disrupt crime we must address some of those drivers that underpin criminal activity. As I said a little earlier, criminals are many things—they certainly participate in nefarious activities—but at the end of the day they are business people. They are in business to make money. They are profit driven. So, to disrupt their businesses you go about threatening their businesses and threatening their profits. Essentially, that is what unexplained wealth is about.

The Australian Crime Commission estimates that at the moment the cost of organised crime to Australian society is somewhere between $10 billion and $15 billion every year. That is not the effect on individuals or the economic effect of crime; if you take that into account, those figures are probably very conservative. Therefore, it is very important that we give the people that we charge with the responsibility of protecting our community the powers that they need to combat crime—not simply to arrest people after the event, bring them to trial and then punishment, but to deter and
prevent criminal enterprise. If we are able to do that it means that we can prevent crime. If we can prevent crime it means we stop there being another victim of crime in our community.

I am glad this legislation is supported by both sides of the House, because this represents a huge step forward for Australian crime fighting. Having had the opportunity to spend some time with colleagues looking at some of the contemporary issues of law enforcement overseas, I can see that the suite of laws that are being presented at the moment through this bill puts us very clearly on a superior footing to most law enforcement agencies throughout the world. What we are adopting here is basically what has been recommended by Interpol back in, I think, 2004. Very few agencies have been able to achieve what Australia has been able to target through this suite of legislation.

Clearly, whilst there is no doubt that this legislation will put people's liberties at risk—particularly if their business is in a crime related field—it will do something that is not all that common in law enforcement: it will target the issue of preventing and disrupting crime.

Being the son of a police officer, I know only too well how my father would come home and celebrate when they took some serious criminal off the street. I know the father of the member for Cook would have been in the very same predicament. The member for Cook probably heard the same stories around the kitchen table at his place.

The fact is that contemporary crime fighting is not waiting around for a crime to be committed; it is not waiting around while a business advantage is being exploited by criminals; it is getting involved and doing something that actually shuts down criminal enterprise. Regrettably, people's liberties will be affected by that. We do not make any bones about that. In terms of the suite of tools that are necessary for policing, this is one of those which rate very highly.

I must congratulate Mark Burgess and officers of the Police Federation of Australia. Going back some, I think, three or four years, they were the first organisation that came to my parliamentary committee saying that this is what they thought policing requires in this country. It was this government that took on that challenge to do something—make those changes and provide police officers with the necessary tools they need in contemporary crime fighting.

It cannot be only with the Commonwealth. There are a few constitutional barriers here; therefore, it requires a very concerted effort between the Commonwealth and state and territory bodies to work together with a common view of attacking serious and organised crime. To that extent, it will require a certain amount of coming together, sharing power to make sure that the proper aspect of this legislation is not only arrived at on paper but fully executed in the various courts around the land that are designed to put criminal elements out of business.

I am very pleased to be the chair of the Parliamentary Joint Committee on Law Enforcement—as I said, a body that has taken seriously its responsibility in looking at what is necessary in contemporary crime fighting. I am pleased to support this. And, as I said, as a son of a police officer, regardless of what my dad's view may have been earlier in the piece, I think this will actually put far more people on the criminal side out of business than simply waiting around for another drug deal on the street. I support the bill.

Mr MORRISON (Cook) (17:56): Also as the son of a police officer, like the...
member for Fowler, these issues are matters of close interest to me personally as well as in terms of my electorate in the seat of Cook—and I will refer later to the incidents that took place there last year with the smuggling of Glock pistols through a post office in my electorate. They are also of concern to me as part of the broader issue of national security, in which I have a keen interest, and these matters go directly, I think, to matters of national security.

When one is debating these matters in this place, never far from our mind are the tragedies, not only in our country but also in places around the world. Sadly, even quite recently, we have seen the horror and the tragedy of guns getting into the hands of bad people—into the hands of criminals who hold our society to ransom and to hostage and selfishly seek to impose their greed and their evil on others. There will be no debate in this place about the evils of these things. I think the sentiments and the intentions that sit behind this bill are respected and appreciated, and I commend the government in bringing this bill to the House. I also commend the minister, who has brought this bill to the House, on his appointment to the cabinet.

It is the job of a national government to protect our borders and to keep Australians safe behind those borders. That is the goal informing governments from this place. That is a core responsibility of a national government. At its heart, this is a bill about national security and especially about protecting our borders from the movement of illegal firearms and weapons parts. The measures contained in this legislation seek to better protect Australian communities from the clutches of criminal syndicates and ensure that they are not able to profit from the nefarious trade.

The coalition will support this bill in principle. We understand the intent behind it, and that is something we can identify with. But, pending further advice from the Senate committee, we reserve our position on other amendments and things that may be brought up as a result of those investigations. I would hope the government would work constructively with the opposition on the things that may come from that process. If things are identified then, in the spirit of the shared intention, they should attract support. The coalition remains committed to strong border protection, and we welcome the opportunity to discuss these matters in this place, because the truth is that when it comes to border protection more broadly the Australian people have already registered a pretty clear verdict about the government's competence in that matter.

Last year, Commissioner Andrew Scipione from the New South Wales Police Force—I would argue the most trusted and respected law officer in the land and over many generations—referred to the issue of guns being imported illegally overseas as the elephant in the room. He said that it is not just a border security issue but a national security issue. I could not agree with the commissioner more. Any piece of legislation concerned with removing guns from Australian streets should merit our close attention. Any bill that strives to make our neighbourhoods safer by virtue of making it harder for criminal syndicates to operate is worthy of scrutiny in this place.

This legislation would effect several key changes to both the Criminal Code Act and the Proceeds of Crime Act. Firstly, this legislation seeks to strengthen the investigative powers and Commonwealth prosecution of cases in relation to unexplained wealth. Secondly, this legislation seeks to expand existing offences for cross-border trafficking of firearms. The
new regime would include aggravated offences with a maximum penalty of life imprisonment for dealing in 50 or more firearms or parts within a six-month period.

As I said, we cannot fault the intent behind this legislation, but we have a duty to examine these matters closely to ensure that any unintended consequences do not compromise the outcome that we are trying to achieve. It was almost a year ago now that the New South Wales police discovered a gaping hole in our borders on gun control, with 220 Glock pistols allegedly smuggled right into the city of Sydney, guns that ended up on our streets in the hands of criminal gangs. Those guns found their way into my electorate of Cook, into the shire and into southern Sydney, allegedly through the Sylvania Waters post office. That alleged smuggling operation was described by Andrew Scipione, the Commissioner of Police in New South Wales, as perhaps the biggest illegal syndicate doing this type of illegal gun trafficking that Australia has ever seen.

What is worse, our Customs and Border Protection Service had no idea that it had happened. It had to be brought to their attention late into the investigation in order to effect the sting that saw the arrests that followed. They were not brought on board that investigation early. One still wonders to this day why the New South Wales police made the decision not to involve Customs and Border Protection earlier when they were aware that these guns were on their way to Sydney. That raises serious questions. I remember raising those questions in this place and proposing that we have a commission of inquiry into that incident to understand the failings in the system that had let that happen. That proposal was rejected by the government and ridiculed by others. But this incident was the canary in the mine.

What did we see at the end of last year? To our shock and surprise, we saw Customs officers involved in embedded corruption at our airports and our sea ports. That was going on. This was a serious matter. It was a matter that the New South Wales police had identified and brought to the attention of Customs. There is a serious need to deal with what is happening in our Customs and Border Protection Service. At the end of last year, there were revelations that as many as 20 Customs officials had been allegedly involved in extensive corruption at Sydney airport. As my colleague the member for Stirling has mentioned, these included allegations of aiding drug traffickers as well as money laundering for bikie gangs. An entire shift had been compromised. One Customs and Border Protection officer arrested by the AFP was charged with offences including conspiracy to import a commercial quantity of border controlled precursors, weapons offences, receiving a bribe and abuse of public office.

These crises do not happen in a vacuum. They have been allowed to occur and continue against a backdrop of mismanagement and chaos on our borders under this Labor government that the Australian people have watched with horror. Specifically in the area of Customs, they take the knife to the Customs budget, dropping from inspecting 60 per cent of air cargo inspections under the Howard government to just 8.3 per cent under this government. Those drastic cuts to cargo screening have allowed weapons and illicit drugs to come into this country and then onto our streets and into the hands of organised criminal syndicates. The people of Western Sydney know that. When the coalition left office, we were inspecting 6.2 million air cargo consignments. That figure today, taken from the government's budget papers, is 1.5 million.
At the same time there are about 10 million air cargo consignments. Today that figure exceeds 15 million, yet the percentage of air cargo consignments being inspected continues to shrink. It comes down to this: under Labor criminals now have a 90 to 95 per cent chance of successfully smuggling weapons, or rather, contraband, into our community. Those are terrifying odds.

It is all well and good to be implementing these laws to improve our powers to charge and prosecute offenders. And this an iterative process. The parliament should always be looking at ways we can better equip those on the front line with the resources, the authority and the legal backing they need to do their job to the best of their ability. But we must be mindful about how the guns are getting in in the first place. I turn to none other than the now Minister for Foreign Affairs, Senator Bob Carr. When he was Premier of New South Wales this is how he believed guns were getting into the country. All these guns, he said, 'the guns on our streets, the guns being traded, the guns that form this black market, have got into Australia through pretty porous borders.' That is what Senator Bob Carr said when he was Premier of New South Wales. Now he forms part of a government that denies this is the case. When he said this, air cargo screenings were many multiples over what this government is doing today, and the resources, proportionally, were greater at the time than they are today.

This is a government that has moved quickly, even today, and over the last few days, to try to divert attention, to say, 'It is not our fault. We just control what comes into the country. We need to shift the focus and say it is what is happening in state enforcement with our police forces.' What is important is that an incompetent federal government needs to take over the powers of state governments, which actually alerted them last year to the problem. They are the ones who blew the whistle. Customs did not know they were on fire on this issue until the New South Wales police turned up with a hose and put them out.

We do not want diversions and distractions from this government, for which they are well known when it comes to the issue of gun crime. We will see plenty of announcements and we have seen plenty of stern faces looking into the cameras, incredibly earnest, calling on people to lay down their swords and get together and work constructively on this issue. Well, here is a tip for the government: do your job well and the guns will not get into the country.

This government has not stopped the guns, it has not stopped the drugs and it has not stopped the boats, and the Australian people know it. You can go out there and argue about your alleged competence on our borders until you are blue in the face but the Australian people know that this government is the biggest failure on our borders in our nation's history. And they will be judged for it. That day is coming—14 September is coming—when this government will be judged for its failures on our borders. The people are waiting and they want to issue that judgment for your mismanagement and incompetence on our borders. We on this side of the House will work towards that day, not only continuing to prosecute that case but continuing to firm up and build further the policies that we know are necessary to get things right on our borders once again.

This government slashed 750 staff from our Australian Customs and Border Protection Service. They have stripped funding and personnel out of the agency, leaving it vulnerable. Clearly, a culture of corruption is evident in these agencies—in this agency specifically. It is about restoring the confidence of the Australian people in
these agencies. The many hardworking enforcement officers who work in the Australian Customs and Border Protection Service, like those who work in similar law enforcement agencies around the country, will be horrified—the good officers, the ones who want to do the right thing, the ones who want to be proud of their organisation and the job it does, because it is an important job. But you have to get the settings right. You have to allow those who want to do the right thing and uphold the integrity of their organisation to be the ones whose activities are rewarded—and rewarded in the sense of having an organisation that has the support, both in terms of the financial support for the resources provided and in terms of the political support, to do their job.

The failures of this government on borders are well known. They are not limited to the area of Customs. They are well known in the area of immigration. I note that yet another minister for immigration has entered into the revolving door of policy failure in these last few days. He will not have big shoes to fill—because his predecessor allowed almost 25,000 people to cross our borders illegally into this country—but he is a minister who is returning to the scene of the crime. The now minister for immigration is the same minister who, along with the now departing Senator Evans, was responsible in large part for the unwinding of the controls that we had on our borders under the Howard government. So he returns to the scene of his crime and to the scene of failure when he previously served in the area of customs and border protection, only now to babysit this government's failure on our borders to an election.

The coalition will continue to stand up for national security in this country. We continue to believe strongly, as we demonstrated in government and stand ready to demonstrate again if elected at the next election, that we need to enforce the laws on our borders, strengthen the force of our borders and ensure that Australians are kept safe behind those borders by doing the federal government's job and working with the state governments to ensure that they can do their job, rather than trying to distract attention, as the minister has done today by alleging all sorts of things about New South Wales. It was the New South Wales police who set off the alert here on the issue of guns coming into this country, and the government should do its job. (Time expired)

Dr LEIGH (Fraser) (18:11): Last year the Australian Crime Commission did a national intelligence audit of the illegal firearms market in Australia. That audit estimated that, while there were more than 2½ million registered firearms in Australia, the illicit firearms market consisted of around a quarter of a million weapons—around 250,000 long arms and, perhaps more concerning, about 10,000 handguns. Illegal firearms sourced through theft from licensed owners and firearms dealers consist in part of weapons that were made illegal in the 1997 gun laws, about which I will say more later, and deactivated firearms that have been reactivated.

This bill is a response by the Australian government to these concerning findings. It deals with the spread of illegal firearms by introducing new offences for aggravated firearms trafficking. It extends existing cross-border offences and introduces new basic offences for trafficking firearms across borders. Our aim is to hold traffickers responsible for the consequences of providing firearms to the black market. They are aiming to tackle the illegal firearms market from different angles—to seize the firearms, to break the code of silence and to improve our ability to trace firearms—and they complement other reforms the
government is putting in place. These reforms include the rollout of the Australian Ballistics Identification Network, a national database which will allow police in states and territories to link up their information on weapons recovered from crime; better training, from the United States Bureau of Alcohol, Tobacco, Firearms and Explosives, which will happen in February this year; and an in-principle agreement with police ministers for a national firearms register. This national firearms register really is an important development, and I would urge those police ministers who are currently considering it to act immediately. I think it is vital that state and territory firearms registers are joined up. Australians move states or territories frequently and the information about those weapons should follow them.

These laws are also part of a package of reforms dealing with unexplained wealth. As the Minister for Justice explained:

These laws will help us to catch criminals. Just like with Al Capone - you can catch criminals by following the money.

And through this broad suite of reforms we are cracking down on the illegal firearms market. In so doing we are supporting law-abiding recreational shooters. Law-abiding recreational shooters have the most to lose from an illicit firearms market in Australia because it is law-abiding firearms owners who are tarnished when these drive-by shootings occur, when crimes are committed with illegal weapons.

I am fortunate to have within my own electorate the firing range used by the Canberra Rifle Club. The Canberra Rifle Club is, I am told, the city's oldest surviving sporting body. It traces its conception back to a report in the Queanbeyan Age newspaper on 6 May 1913, nearly a century ago:

There was a representative gathering of riflemen at the residence of Mr. Hector McIntosh, Canberra, on Saturday last, to discuss the proposal of forming a rifle club at that place. And there had previously been rifle ranges at the Black Mountain Peninsula picnic grounds and the Mount Ainslie summit road, but the club's present facilities are at a better location in the Majura Valley. They opened in September 1969 and, in passing, I note that they are just off Majura Road, near the Majura Parkway. The club's facilities will not be adversely affected by the construction of the Majura Parkway, the ACT's biggest road-building project, fifty-fifty funded by the federal and ACT governments and which it was my pleasure to attend the sod turning of this morning.

The range is named the McIntosh Rifle Range after Hector McIntosh, and since 1972 it has been the venue for the National Queen's Prize shoot. In 2004 the Canberra Rifle Club and Bungendore Rifle Club ran the inaugural Canberra Queen's Prize meeting, and they are a premier state and national rifle competition. The member for Griffith attended the presentation ceremony for the Queensland Queen's Prize in 2012.

The Canberra Rifle Club, importantly, has strict requirements for its members regarding firearms licences. Its rules say:

All members and users of the range may be required at any time to satisfy the Club that they hold a valid Firearms Licence as issued by the State or Territory in which they reside. Consequently, you should carry your current Firearms Licence and your current NRAA Membership Card at all times.

This is an example of a well-managed and regulated facility for sport shooters.

That stands in stark contrast to the behaviour of some of the sport shooting associations in the United States. Following
the Connecticut school shooting we have seen again on display the awful intransigence of the US National Rifle Association, a body which took a moderate stance in the 1930s when it supported federal gun control; which in the 1960s supported a ban on 'Saturday night specials' because, as they said at the time, they had 'no sporting purpose'; but which was taken over in 1977 by people like Harlan Carter, Wayne LaPierre and the like and found itself in the 1980s opposing bans on armour-piercing bullets, which were being used to kill police on US streets.

The debate on gun control in the United States is so different from the debate in Australia. In part that is because of the initiative that was taken in 1997 by then Prime Minister John Howard and Tim Fischer, Leader of the National Party, who were willing to take on the extremists in their own party to see a gun buyback passed. I think sometimes in this place we pay too little tribute to the other side of politics. I was in here about an hour ago speaking about the fiscal profligacy of the Howard government, but let me in a different spirit recognise the forward-thinking actions of the Howard government and Tim Fischer in the Australian gun buyback.

By tightening firearms legislation, by buying back around two-thirds of a million weapons, Australia achieved a substantial fall in the firearms death rate. Firearms homicide and suicide rates fell by about half and have stayed down. These are figures that are sometimes contradicted by shills speaking for the National Rifle Association or other bodies in the United States, but the facts do not lie: fewer Australians die as a result of firearms homicide and suicide thanks to the actions of the Howard government in 1997.

But we have to remain vigilant. We have to continue updating the laws to fit the times. This bill cracks down on the illegal firearms market. It is important that we keep the challenge in perspective. Australia's firearms death rate is low by international standards. Christine Neill of Wilfred Laurier University and I carried out two studies looking the Australian firearms buyback. We found when we looked at the time trends and when we looked across states it was very clear that the firearms buyback had saved lives.

Prior to the Port Arthur massacre Australia had experienced a mass shooting—that is, a shooting with five or more victims—on average every year for the previous decade. Since then we have not had a mass shooting in Australia. That could be coincidence but the odds of that are less than one in 100.

Importantly, we have brought down firearms suicide, because that is the most common form of gun deaths, and we have brought down firearm homicide. The United States, though, still experiences over 80 gun deaths every single day—a horrendous death rate. One of the things that we in Australia can do is to present to United States legislators who are dealing with this very complicated issue—President Obama and Vice President Biden are now considering a package of gun law reforms—a bipartisan model of dealing with gun deaths. This is a bipartisan model that does not undercut the role of sporting shooters but recognises, as I have in my own electorate, groups of sporting shooters who are committed to enjoying their sport with shooting licences and with gun registration. They recognise that good laws are essential if people are to enjoy sport shooting in a safe environment. They recognise that the scourge of gun death in Australia has, in the past, been too high and that it needs to come down.

So I would urge those opposite to try and refrain from some of the partisan politicking.
in this debate. One of the things that has traditionally characterised the firearms legislation debates has been their bipartisan nature. Then opposition leader Kim Beazley did not hesitate before supporting John Howard in the package of laws that were put in place after the Port Arthur massacre. I urge those opposite to be wary of point-scoring and to recognise the value that we can bring to this place from sober, sensitive, reflective debate over reducing gun deaths.

We will probably never reduce the number of deaths to zero but we ought to do all in our power to bring it down. And we ought to do all we can to tell the world the story of Australia's firearms regulation. It is a good story. It is a story of conservatives who were willing to stand up to extremists in their ranks, of bipartisan law reform, and of ongoing law reform recognising that, as criminals advance in their methods of evading detection, Australian laws have to move to keep pace.

I commend the bill to the House and I commend the work of the minister, who is here in the chamber, on this bill.

Mr LAURIE FERGUSON (Werriwa) (18:24): As a person who has more than a passing interest in this matter—in fact, my maiden speech to the New South Wales parliament 30-odd years ago was about gun laws—and as a person who had the honour, and I say 'honour', to represent the federal opposition at a huge rally in Sydney's Domain, where we indicated total support for former Prime Minister John Howard's gun law initiatives, I join with the previous speaker in expressing disquiet over the opposition's contribution to this debate. The opposition's leading speaker on this debate, the member for Stirling, said that the government had only implemented a number of the recommendations that came forward. He did not belabour his argument on any that were not pursued. He did not specifically declare that it was the end of the world if any of them were not pursued. He made some references to a Senate inquiry. He did not seem to have any ideas of his own. Then the member for Cook came along and tried to draw some sort of personal connection with gun problems in this country because a post office in his electorate was the site of the importation of guns. But I live in an area of Sydney which has been characterised by a huge spate of gun related incidents over the last year or so, so for me this a very personal issue.

For the opposition to come in here today, when the government has made serious efforts after a series of police ministers meetings in, I think, June and November last year, and say that this debate is completely about the number of customs inspections concerned with the illegal entry of guns into this country is appalling. Yes, of course both sides of politics would like to minimise the number of guns that, through importation, end up on the illicit market in this country, but if we look at a number of commentators on this problem we find it is very complex. In April last year, the member for Wentworth said that a fundamental requirement is more policing of gun offences in this country. The final report of the national investigation into illegal firearms noted that 44 per cent of the guns we are concerned about were those not surrendered or registered after the Port Arthur massacre, 12 per cent were stolen or the subject of staged theft in Australia, and a mere one-half of one per cent seemed to come from illegal importation. The Australian Crime Commission commented:
The illicit firearm market is predominantly comprised of firearms which have been diverted from the licit market through a variety of means. It further commented:

Illicit handguns have principally been sourced by criminals who took advantage of differences in state and territory definitions of firearms and other loop-holes—which have been closed for over a decade.

It is a very complex problem, made up of so many elements. So for the opposition to come in here today and say, 'We're going to solve the illicit gun issue in this country by enhanced inspection of imported goods,' is just preposterous.

There are further examples of how complex the problem is. I note that Dr Bricknell, a leading criminologist, pointed to Queensland legislation, where it emerged that deactivated guns could be reactivated and the serial numbers transferred to working weapons. She analysed a major problem in Queensland legislation, a loophole that had partly led to this issue. I note that former Federal Police officer Nigel Phair, director of the Centre for Internet Safety at the University of Canberra, who has spent the last four years heading the High Tech Crime Centre, looked at the question of the failure of police authorities to move onto the internet, a major source, as he sees it, of gun problems in this country.

As I say, how guns enter this market is an extremely diverse, complex problem. It is not a matter just to be toyed with and played with by an opposition that is trying to connect this issue with the entry of people by boat into the country. The member for Cook's contribution was really about further haranguing the chamber on the number of boats coming into the country and border security et cetera. It had nothing to do with the issues that we are facing today. We see a variety of real measures in this bill. It will provide for the addition of an aggravated offence to existing cross-border offences based on the disposal, acquisition, taking or sending of 50 or more firearms. It will extend the coverage of the existing cross-border offences, including providing new offences to deal with international firearms trafficking. It will provide for the basic import-export offences to be punishable by a maximum of 10 years imprisonment. These measures are worthwhile and should be commended.

I also note that the shadow minister spoke about listening to the police force. That is his supposed way of dealing with this problem. I wish he would talk to the Queensland government about the police force views on guns in this country, because one of the first actions of the new government in Queensland was to appoint a gun committee for the state. I seem to remember the police force in Queensland going on national television to complain very vehemently about the total domination of this committee by people with commercial interests and other interests in promoting gun ownership in this country. We are seeing in Queensland a situation where the conservative side of politics is trying to, in a sense, please people in the gun lobby. It is nascent. It is not very strong, like in the United States. But this is a leading indicator of the real things that should be done about guns, not rhetoric about importation and the number of crates that are opened at the airports or the harbours. They are putting a committee up there to basically liberalise gun laws, to try and make sure that restrictions, controls and limitations are broken down.

Also, if we are so concerned with regard to gun homicides, gun suicides et cetera in this country, one only has to look at the recent experience in New South Wales politics as to where the agenda is going. I have been very critical of the previous Labor government in New South Wales for...
kowtowing to the gun interests in that state because they held a few votes in the upper house. And what have we seen since the government of New South Wales has come into power? Very swiftly the very controversial decision to allow shooting in national parks. That is deplored by the very public servants who dedicate their lives to their parks and safety—not just because of mercenary self-interest and the wages they get paid—coming out and absolutely moving towards industrial action because of the way in which that government is again kowtowing to the gun interest.

A series of measures have been supported by national police committees. They follow the 1996 National Firearms Agreement, the reaction of the federal government under John Howard to the Port Arthur disaster, the 2002 national agreement on handguns et cetera. In the spirit I indicated earlier of trying to be nonpartisan in a very important issue for the safety of Australians, I also take the point of commending the former Prime Minister for involving himself in the current debate in the United States. For those who are unaware, John Howard wrote a leading editorial in the New York Times, an opinion piece, last week about the way in which Australia's tougher gun laws after Port Arthur had led to improvements in the safety of Australians.

What is often lost in this debate on guns is that the question of criminal use is minor. Essentially, the real danger of guns is the use in domestic arguments between parties: the danger to the neighbour by the person next door who supposedly needs a gun to protect themselves and who, in a rage over how high the fence is or someone making too much noise, goes out and shoots their neighbour. The other serious reality with gun ownership in this country is the question of accidental death.

I am very much concerned with the performance of the opposition in this debate. After Port Arthur the opposition did the right thing by the Australian people by fully, totally, unequivocally supporting John Howard in a move toward tighter restrictions. If we move in the way that the Queensland government is at the moment in kowtowing to these interests, we will see the reality of what we see in the United States, where the presidential candidate for the Republican party last time, Mitt Romney—and it was so fake, so transparent—had to pretend he liked shooting. He had to go out there. Now we have had the President of the United States also having to parade around as a skeet shooter. Both sides of politics are so intimidated by the National Rifle Association that they have to lower their dignity, lower their morality, to do these kinds of things.

It is interesting to note the debate in the United States. It was only in 1977 that the NRA went down this road of taking total disinterest in the safety of the American people. Before that, they believed in things like making sure that there was a preservation of shooting rights for people in hunting, making sure that there was preservation of national parks et cetera. But an extremist element seized control in 1977, and we have seen the downward spiral since then.

The opposition attempts to give everyone a perception that there is rampant crime all over Western Sydney and that it is all caused by the importation of Glocks from Germany, that it is all related to the federal government's Customs failures. It is interesting to note the figures in Australia. There has actually been a substantial improvement in the low level of gun homicides in the country. For 2001 the rate was 1.06 per 100,000 people. But before 2001 the rate was never, ever, in any one
year at all, lower than 1.67 per cent. That is in contrast, of course, to the United States picture, where 31,000 people are killed a year, and 16,700 of them are actually murdered. There is a rate of 867 guns per 1,000 citizens, and 30 to 40 per cent of homes own them.

If we allow a wider proliferation of gun ownership in this country, if more people have guns in their hands, then more people have a direct interest in preserving the rights of that lobby group, and its power is enhanced. These are the real issues at hand with regard to gun ownership in this country. The opposition is unfortunately trying to politicise this debate today where the government is providing a series of measures. The final throwaway line from the opposition was that they support the measures, but it was accompanied by a lot of rhetoric which was carrying on about border protection and every other issue except that which is at hand today. I commend the legislation.

Mr CLARE (Blaxland—Minister for Home Affairs, Minister for Justice and Cabinet Secretary) (18:36): Last year at my request the Australian Crime Commission conducted a national investigation of the illegal firearms market. They presented their report to police ministers in June of last year. It is a very serious document. It reveals a black market of a quarter of a million firearms in the hands of criminals.

In the conduct of that investigation, the Australian Crime Commission traced 3,168 firearms that police had seized across the country. That tracing analysis found that 44 per cent of those weapons were not surrendered or registered after the Port Arthur massacre, 12 per cent of those firearms were stolen or involved in staged theft and less than one per cent of those firearms traced by the Crime Commission were illegally imported. In other words, the majority of those weapons that form part of this massive illegal black market are weapons that either were not handed in after the Port Arthur massacre or were stolen. In New South Wales alone, 10 firearms are stolen every week. In the last decade, 7,000 weapons have been stolen in New South Wales and not recovered. I read in a South Australian newspaper today that there have been more than 11,000 weapons stolen in South Australia in the last decade.

All of this fuels that black market. Criminals do try to import weapons. We have seen evidence of that. One illegal gun import is one too many. That is why I have established a Firearms Intelligence and Targeting Team inside Customs, and it is getting results. It is working with the New South Wales police, as well as the FBI, the ATF and the DEA in the United States. They broke a gun-running syndicate only late last year. It is also why I have brought forward this legislation, but it must be clearly understood that this is one small part of what is a massive illegal firearms market: a quarter of a million guns in the hands of criminals across the country.

If we are serious and if we are going to tackle this illegal firearms market then we need to tackle it from every angle—not just on the border but on the street. We need to make sure our police have got the powers they need to seize those weapons off the criminals that are infesting Western Sydney and shooting up streets. We need to make sure that our law enforcement authorities have got the powers that they need to break the code of silence surrounding people that are too afraid to talk and to give information to police. We have to improve our ability to trace the firearms that police do seize. We have got to strengthen laws—and this is an example of that—and harden the border.
I put a package of reforms to police ministers in June last year and got their in-principle support for a package. This legislation is the first of these reforms. It introduces tough new penalties for firearms trafficking across state and national borders. It creates new aggravated offences for people who traffic 50 or more firearms or firearm parts either within Australia or across its borders. The maximum penalty for these offences will be life in jail, which is the same maximum penalty for drug trafficking. Additionally, the bill expands existing offences to cover the trafficking of firearm parts as well as the trafficking of firearms. It will also create new offences relating to the trafficking of firearms across Australia's national borders. This will send a strong message that trafficking in firearms and the violence that it creates will not be tolerated.

As I said, this bill is just one part of a package of reforms that I took to state and territory police ministers last year. These reforms have been agreed in principle, but there is now a lot of work to do to ensure that they are fully implemented. They include, firstly, the establishment of a national firearms register. There are firearms registers in each state and territory. According to the federal agency CrimTrac, about 14,000 firearms disappear off these registries ever year and can slip into the black market. We need to fix this, and that is the purpose of a national firearms registry.

The next thing we agreed on was the in-principle rollout of an Australian ballistics identification network nationwide. This is effectively technology that enables police to identify, from the firearm they seize, the firearm’s involvement in previous crimes. It is like DNA testing for stolen weapons. The New South Wales police have this technology and so do the federal police. We need to roll it out to all police across the country. That is what we agreed to in principle last year.

We also need to improve the skills and the training of our law enforcement officers across the country in the tracing analysis that they do of firearms. For that purpose, this month I am bringing to Australia experts from the United States Bureau of Alcohol, Tobacco, Firearms and Explosives to train state police, federal police and Customs officers. I mentioned the Firearms Intelligence and Targeting Team that I have established in Customs and the work that it is doing. In addition to that, one of those officers has now been embedded inside the New South Wales police. This makes sure that officers are working together with a common aim. The next step is to embed Customs officers in similar squads and similar task forces right across the country.

If we are serious about this and if we are serious about making sure that we get these guns off the streets, I think we need to go one step further and give police the powers that they really need to go and get these guns. What I am talking about here is the power for police to randomly search serious repeat offenders for guns. Police know who most of these criminals are, but people are too afraid to talk. We need to give them the power to go and get these guns. If someone is a serious criminal and they have a record of using firearms then police should have the power to stop them and search them for guns at any time. South Australia has laws like this at the moment and I have asked state police ministers across the country to consider implementing this as well. If we are serious about this, if we are serious about tackling this a quarter of a million firearms on the streets of Australia, then this is what we have to do. We have to tackle this from every angle.
This bill also makes important improvements to laws that allow our law enforcement agencies to target unexplained wealth—the ill-gotten gains of the actions of organised criminals. They are very important reforms. They are the first stage in the implementation of the recommendations of the Parliamentary Joint Committee on Law Enforcement. The Attorney-General’s Department at the moment is consulting with our federal law enforcement agencies in preparation for the implementation of the other recommendations in that report. The key one in that report was the recommendation of the committee that the states and territories of this country refer their powers to the Commonwealth to create national unexplained wealth laws so that there are no soft spots across the country, no safe havens and no place for criminals to hide their assets—the same law across the country. It will give police more powers to seize the cash, the cars, the homes and the assets of these criminals.

I have spoken to police who are at the centre of the drive-by shootings in Western Sydney, and their advice to me is pretty plain. They say the best way to break these gangs is to seize their assets, to take their cash off them. A lot of them are gen Y criminals. It is all about the power and status that comes with the crime—and power comes from money, which enables them to pay off the people who are involved in the criminal enterprise. Take their cash and you take their power. They are often more afraid of losing their money than they are of going to jail. That is why these laws are so important.

As I said, money creates power in the criminal underworld. The more powers we can give our law enforcement agencies here, the more it can help to alter the balance of power on the street and undermine the influence of these criminals. If states do as our Parliamentary Joint Committee on Law Enforcement has recommended—and it is a bipartisan recommendation; both sides of the House think this is the way to go—if states agree to give the Commonwealth these powers to create these laws, then states will have the option of using their existing unexplained wealth laws and asset seizure laws or using these laws as well. So they give up nothing. Any concern the states have that they will lose out from this is a concern that is misplaced. This will only add to the powers of state police and add to the ability of states to recover more assets.

In the course of this debate, one member of the opposition said that this was a good thing and asked why the government was not implementing it straightaway, and then another member of the opposition said that this was just a distraction. Well, the Australian Federal Police Association and the Police Federation of Australia do not think it is a distraction. The police in Western Sydney do not think it is a distraction. They think it is a critical part of the armoury that police need: seize their cash, seize their assets and shift the balance of power on the street. So I back these calls. I back the recommendation of our committee, and I will work as hard as I can this year to see it implemented.

I put this case to attorneys-general last year, twice. I asked them for these powers, and on both occasions they rejected that. I think that is a mistake. I think our committee got it right. I think it is a bad decision by the states to think that national laws here will not help. I will continue to prosecute the case for these laws and for national antigang laws this year. This is a good bill. I thank the opposition for their support for this bill. I commend the bill to the House.

Question agreed to.

Bill read a second time.
Third Reading
Mr CLARE (Blaxland—Minister for Home Affairs, Minister for Justice and Cabinet Secretary) (18:47): by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

COMMITTEES

Foreign Affairs, Defence and Trade Joint Committee
Privileges and Members' Interests Committee
Membership

The DEPUTY SPEAKER (Ms K Livermore) (18:48): Madam Speaker has received advice from the Chief Government Whip nominating members to be members of certain committees.

Mr SHORTEN (Maribyrnong—Minister for Financial Services and Superannuation and Minister for Employment and Workplace Relations) (18:48): by leave—I move:
That:
(1) Ms Parke be discharged from the Joint Standing Committee on Foreign Affairs, Defence and Trade and that, in her place, Mr L. D. T. Ferguson be appointed a member of the committee; and

(2) Mrs D’Ath be discharged from the Committee of Privileges and Members’ Interests and that, in her place, Ms Roxon be appointed a member of the committee.

Question agreed to.

BILLS

International Tax Agreements Amendment Bill 2012
Federal Circuit Court of Australia (Consequential Amendments) Bill 2012

Financial Framework Legislation Amendment Bill (No. 4) 2012
Protection of Cultural Objects on Loan Bill 2012
Reference to Federation Chamber

Mr SHORTEN (Maribyrnong—Minister for Financial Services and Superannuation and Minister for Employment and Workplace Relations) (18:48): by leave—I move:
That the following bills be referred to the Federation Chamber for further consideration:
International Tax Agreements Amendment 2012;
Federal Circuit Court of Australia (Consequential Amendments) 2012;
Financial Framework Legislation Amendment (No. 4) 2012; and
Protection of Cultural Objects on Loan 2012.

Question agreed to.

Social Security and Other Legislation Amendment (Income Support Bonus) Bill 2012

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

Mr ANDREWS (Menzies) (18:49): I rise to speak on the Social Security and Other Legislation Amendment (Income Support Bonus) Bill 2012. There is a central question which the coalition has in relation to this bill, namely: where is the money coming from? This bill introduces a new twice-yearly payment for persons in receipt of certain income support welfare. This measure is part of the so-called Spreading the Benefits of the Boom package from the 2012-13 budget. In his press release on 8 May last year, the Treasurer noted:
The Benefits of the Boom package will be funded by re-directing Minerals Resource Rent Tax revenue intended for the company tax cut.
So how is this going to be funded? By the mining tax—and hasn’t that tax been successful! It is another failed Labor policy.

The bill would amend the Social Security Act 1991, the Social Security (Administration) Act 1999, the Farm Household Support Act 1992 and the Income Tax Assessment Act 1997 to create a new income support payment, a payment that the government will have to borrow money in order to pay. This profligate government is going to borrow even more money to provide a new payment, a payment that it pretends is being funded from a tax that has raised no meaningful revenue—and if the government has a different view about that then perhaps in the course of this debate it could inform us, but on the best information available to us there has been no meaningful revenue raised by the so-called mining tax.

This government has presided over a massive rise in the cost-of-living pressures that these people face. The government is now cynically trying to confuse and deceive these Australians by pretending to have the money to deliver a new payment of $1 billion or more over the forward estimates. In other words, that is $1 billion to be borrowed in order to make these payments. I wonder how ordinary working Australians feel about that.

Courtesy of a direct impact of the carbon tax, over 2012 the cost of electricity rose by 17.7 per cent, and the cost of gas and other household fuels has risen 17.3 per cent. If the government were serious about helping Australians facing cost-of-living pressures, they could repeal the carbon tax. They cynically want to paint a picture that they will actually deliver new financial support. But, once again, this shows that the Labor government cannot be trusted.

And where is the evidence that they cannot be trusted? One only needs look at the carbon tax deception, or the budget surplus deception, or the deception that there would be a community consensus on carbon trading, or that company tax would be cut or the massive cuts to defence. One might say that there is a track record of deception from a government that misleads and deceives and from a Prime Minister who knifed her boss and is now demanding that her colleagues stop leaking to the press.

The income support bonus comes with a $1 billion price tag. Let me be frank, Labor cannot afford it, and they know they cannot afford it. Let’s be clear: this new payment would supposedly be funded by a mining tax that has failed to raise the money that Labor promised. The fact is that, therefore, according to the Treasurer’s own design, this payment is unfunded. As I said, this is going to be more raising of revenue by way of borrowings by the government in order to make this payment over the next four years. If the government had not wasted so much money on pink batts and on school halls and the like, then it might be able to fund this measure without throwing even more money on the nation’s credit card. The Prime Minister began this parliamentary term by breaking her promise that there will be no carbon tax under the government she leads, and she finished 2012 by breaking her promise to deliver a surplus in 2012-13. She now expects the Australian people to trust her when she promises that she can afford this new payment.

Australian families are fed up with the deception and the deceit and the broken promises that are consistently served up by the Labor government. Division and dysfunction rule the day in this government—a government led by a Prime Minister incapable of keeping her promises, a Treasurer incapable of delivering a surplus and ministers incapable of understanding that a quick and unfunded cash splash will
burden future generations with more debt. The coalition have been on record for a long time with our commitment to scrap the mining tax because it is a bad tax for Australia, and consistent with that promise we will oppose this bill.

Ms HALL (Shortland) (18:54): I rise to support the legislation, and in doing so I say that it is no surprise to any member of the government that the opposition is opposing the legislation. It opposes everything. It is an opposition that says 'No, no, no.' The other aspect of members on this side of the House not being surprised about the opposition opposing this is that we on this side of the House believe that there should be support for people on low incomes. Those on the opposition bench want to support those on high incomes, and there is nothing that demonstrates this more visually than the fact that their changes to the Paid Parental Leave will benefit people on very high incomes whilst disadvantaging those on low incomes. They are going to take away tax relief to low-income earners and support those on high incomes.

The legislation we have before us today recognises the fact that the people who are on some form of income support such as: Abstudy; living allowance; Austudy; Newstart allowance; paid parental partnered payment; Newstart parenting payment; partnered parenting payment; sickness allowance; special benefit; youth allowance for apprentices, job seekers and students; transitional farm family payments or exceptional circumstance relief payments are people who do not have a lot of disposable income. The government recognises that from time to time these people find themselves in significant financial hardship. I know that I would find it very difficult—I would have to say impossible—to survive on any of these allowances.

It is extremely challenging when you have to make very few dollars go a long, long way, and I have met with single parents today who have told me their story about how hard it is for them. This income support bonus will be more than welcome by them as they struggle on a day-to-day basis looking after their children whilst they have very little disposal income. Many of them are very prepared to get a job. Some of them work part-time, but still it is very, very difficult to make ends meet. The government recognise that people struggle, and that is why we are putting in place this support bonus which will provide $105 to single recipients on a six-monthly basis. It will be paid in March and September, and the first payment will be made in March this year.

I really believe that the opposition need to develop a bit of a social conscience. They need to understand that not everybody receives the wages that they do. Some people find it difficult to pay their basic utility bill and, if something goes wrong with their car and it needs repairing, they have got absolutely no way to get that money, and a car is very important for a person who is looking for work or going to university. I would encourage those on the opposite side of this House to rethink their position in relation to this legislation. I might add that it is not only those people who are on the allowances I mentioned earlier but also those people who receive payments under the Veterans' Children Education Scheme and the Military Rehabilitation and Compensation Act Education and Training Scheme. They will also receive this supplement. I think it is something that is well deserved.

I was talking about how single payments would be $105 every six months and those people who are in a relationship, or partnered, will receive $87.50 for each
partner every six months, which equates to $350 a year or $150 per six months. In the case where one of the partners is in respite care or in some other way has to live away from home, the other person will receive the single income support.

This is good legislation. It is delivering some support to the people who are doing it hardest of all in our society. They are the people who look to this parliament for support. They are the people that find it difficult to visit the dentist and pay for dental work to be done. They are the people that those on the opposition benches tend to ignore. They really are not prepared to acknowledge their existence or acknowledge that they have needs. Rather, they are only interested in acknowledging those people who have significant levels of income. The government should provide support for those people who most need it, not provide middle-class welfare. The government is targeting its policies towards those people who look to government for support.

The Senate had an inquiry into the adequacy of the allowance payment system, and it has brought down a report with some very significant recommendations. I know that the minister is very seriously considering those recommendations. I would say to members of this House that if we, as members of parliament, want people to find jobs, if we want our young people to train and get the qualifications they need to find a job, to be self-sufficient, then we need to support them along the way. If a person does not have the resources to get themselves to work, if a person does not have the resources to find a job, then as a parliament—not only as a government—we fail. We have a role to increase the participation of people in the workforce. We have a role as a parliament to ensure that each and every person has an opportunity. To ensure that people have opportunity, we need to make sure that they have the resources to reach out and grab that opportunity.

Those people in receipt of parenting payments have so many demands upon them—demands upon their time and their finances—and once again this legislation does provide a level of support to them. I remain totally unconvinced by the argument that was put forward by the member for Menzies. I would have to say to the member for Menzies that as members of parliament we have to look at the priorities and the decisions we can make. We have to look to whether we have a social obligation to those people in our community who struggle and are doing it a little bit harder than the rest or whether our obligation is only to those people who have financial resources and are able to support themselves. I argue that we have an obligation to both groups, but I would argue that we have a very special obligation to those people who struggle from day to day. Whilst this bonus is not a large one, it will help a lot of people and they will be able to use it for the types of things that I have mentioned in my contribution to the debate.

The DEPUTY SPEAKER (Ms K Livermore): I ask the member for Shortland to resume her seat. The member for Kennedy will leave the chamber if he is going to persist in using that mobile phone. It is highly unacceptable behaviour in the chamber and completely disrespectful to your fellow members.

Mr Katter: I apologise. I assumed I had switched it off but I had not.

The DEPUTY SPEAKER: Thank you, but it is the second time you have done it during this speech. It had better be switched off now.

Ms Hall: Thank you, Madam Deputy Speaker. I know that the member for Kennedy would not intentionally try to
I disrupt my contribution to this debate, and I fully accept the apology that he has made. I know that he is aware of the fact that people do it hard and that, when they are doing it hard, they need the support of government.

I will end my contribution to the debate here by urging members of the opposition to rethink their position, stop saying no to everything and acknowledge the fact that people who are in receipt of the payments that have been outlined and will be covered by this new income support bonus really need support from government. The income support bonus is $210 a year to single recipients, $350 a year for most couples where both partners are eligible, and $420 in the case of eligible illness- and respite-separated couples.

Mr Lyons (Bass) (19:08): I rise in the House to speak on the Social Security and Other Legislation Amendment (Income Support Bonus) Bill 2012. The introduction of the supplementary allowance to be called the income support bonus was announced in the 2012-13 budget to help lower income Australians meet the cost of essential bills. The new income support bonus provides $210 a year to single recipients, $350 a year for most couples where both partners are eligible, and $420 in the case of eligible illness- and respite-separated couples.

Households that rely on Newstart allowance and similar payments as their main source of income do struggle when unexpected costs arise. These costs might include urgent repairs to household appliances or the family car, bills that are higher than expected, unforeseeable medical and dental costs, other emergencies, and general day-to-day expenses. The twice-yearly income support bonus is intended to assist recipients and their families by providing additional support to help them manage and be more resilient to unanticipated financial pressures.

The outlay over four years on the income support bonus is $1.1 billion. I know this support will be warmly welcomed in my electorate of Bass. The payment will be indexed to the consumer price index twice a year, starting in September 2013, and is tax free. Over one million eligible Australians can look forward to receiving their initial payment with their first income support payment after 20 March 2013. They will not have to apply to receive the income support bonus; the payment will be made automatically to those eligible.

The Gillard government understand that those on fixed incomes are doing it tough, and we are responding. The income support bonus will help disadvantaged Australians on income support to better manage the costs of unexpected living expenses, and this payment is another example of the Labor government looking after those most vulnerable and in the most need. Only Labor has a plan to help families with the cost of living and to build a stronger economy by spreading the benefits of the mining boom. Our economy is strong but it is not everyone's boom. Australians are worried about the cost of living—electricity, rent, school uniforms, groceries; even a simple family outing feels beyond the reach of many people. That is why Labor has put in place a package of measures to help people make ends meet.
We, the Gillard government, are looking after sections of our economy that need assistance. Families—for example, in my electorate of Bass—have been very appreciative of the schoolkids bonus, which has made this time of the year, usually very damaging to the family purse, much easier. Buying school uniforms, shoes, stationery, books and other back-to-school essentials was made a bit easier this year because of the Gillard Labor government. More than 6,900 families in my electorate have already received the January payment. Without doubt, those families will be worse off under a Liberal coalition government, because they have said that they will slash this payment. It is clear that opposition leader Mr Abbott and the Liberals do not support Australian families. Families in Bass certainly cannot trust those opposite. Job seekers and pensioners cannot trust them. The only people that will benefit from a Liberal coalition government are Gina Rinehart, Clive Palmer and the big end of town.

We are preparing Australia for the future and delivering on Labor values by investing in aged care, the National Disability Insurance Scheme, dental care, skills, and infrastructure such as the NBN, roads and ports. We have an outstanding record of significant achievement, secured in the most closely divided parliament in decades. Our economy is healthy and growing. It is the envy of the world's advanced economies. Yet, if one were to believe everything in the media, this is not the impression one would get. That is not to say that there are not many people struggling.

As a government we have made our choices. We stand for supporting working Australians with a package of policies that will help them get through, get working people a fair share of the resources boom and make the hard decisions that will build a new Australian economy and get us ready for the future. We are managing the economy for working people, and fighting for jobs—as we did during the global financial crisis.

Tasmania is a state at risk if those opposite win the 14 September poll. As a start, Tasmanian families would be stripped of their schoolkids bonus. This is in addition to the plans by the Liberals to slash the Household Assistance Package, which includes additional increases for family payments and tax cuts for workers on low and middle incomes. The Liberal Party's economic policies are a danger to the wellbeing of Tasmanian families and a threat to Tasmanian jobs and services. Whilst we, the Gillard Labor government, have doubled the investment in schools and education, upgraded facilities at every school and provided more information for parents than ever before, those opposite plan to slash and burn, just like Premier Campbell Newman has done in Queensland.

We, the Gillard Labor government, are delivering the skills and training required for the jobs of the future through the $3 billion jobs and skills package. An additional 150,000 students are now attending university. This is not an agenda that those opposite share. If they had their way, the only people to attend university would be those born into a family fortunate enough to be able to pay the up-front fees.

I ask those sitting opposite to come clean on their plans for Australian families—to tell the Australian people what their plans are and what assistance to the vulnerable they plan to take away to give to the big end of town. They now have no excuse, given the recent announcement of the election date by Prime Minister Gillard, to keep their policies and their detailed costings hidden from the Australian public.

There are no easy solutions to the challenges we face as a nation—just hard
work and attention to detail. Real solutions require real policies and detailed costings. But we know that the shadow Treasurer has had many issues with costings in the past. It is an issue which has dogged him for quite some time. On 11 August 2011, leaked internal coalition documents showed that the Liberals would have to make $70 billion in budget cuts over four years to pay for their promises. The Liberals want to make savage cuts to services so they can give billions of dollars to some of Australia's biggest polluters. They also want to give back the mining tax to some of the world's most profitable mining companies—and in the process stop an increase in retirement savings for Australian workers. Cuts of $70 billion would be the equivalent of stopping family tax benefit payments for three years or cutting the age pension for two years.

Leadership is about more than glossy pamphlets. It is more than spin. It is more than being seen in all the right places in a fluoro jacket. The Leader of the Opposition has claimed that he wanted this year to be about positivity and policies. Given this, he needs to provide some answers to the Australian people about his plans for Australia. When will they reveal their workplace relations agenda? When will they tell us which tax cuts, pension increases and benefits they will scrap? When will they come clean on the scrapping of the schoolkids bonus and the household assistance package? These are things all Australians have the right to know before they cast their votes on September 14.

No wonder the former boss of the Leader of the Opposition had this to say: Tony is genuinely innumerate. He has no interest in economics and no feel for it.

That was John Hewson in the Australian Financial Review on 24 May 2010. Those who know the Leader of the Opposition best know that he is out of his depth. That view is shared by Peter Costello, a former ministerial colleague of the opposition leader. Just recently, the Leader of the Opposition claimed that the coalition could fully duplicate Tasmania's Midland Highway for $400 million. That would maybe get you from Brighton to Kempton—

Mr Chester: On a point of order, Madam Deputy Speaker: he should make some attempt to be relevant to the bill before the House.

The DEPUTY SPEAKER (Ms K Livermore): I ask the member for Bass to address his remarks to the substance of the bill.

Mr Lyons: We will always manage the budget to support growth and jobs. We have a good record of managing the budget responsibly and in a balanced way, making savings while supporting growth and jobs. That makes our budget one of the strongest in the developed world and has allowed the Reserve Bank to repeatedly cut interest rates. We will continue to exercise spending restraint even though global factors, commodity prices and a high dollar have weighed more heavily on tax revenues than expected.

Australian families and pensioners are getting extra payments to help with their utility bills. Since July, we have given working families a tax cut so they get more money in their fortnightly pay cheques. Tripling the tax-free threshold has freed up to one million people from having to lodge a tax return. These people will not pay any tax out of their take-home pay.

The world is changing and Australia faces many challenges and big opportunities in the years ahead—an ageing population, increased global competition, environmental degradation, keeping the economy strong beyond the mining boom, the future of
manufacturing, rapidly developing new technologies and the Asian century. To meet these challenges, Labor is pursuing the policies Australia needs for the future—putting a price on carbon, building the NBN, sharing the benefits of the mining boom, increasing retirement savings through superannuation reforms and making the aged-care system fairer and more sustainable.

We stand for jobs. We stand up for working families. We represent the people who have little or no voice. These are the values I hold as a member of the Australian Labor Party. That is how I go about making decisions. Improving living standards for this and future generations of Australians means making the right decisions now so Australia can continue to be a winner in this Asian century.

We, the Gillard Labor government, believe that the benefits and dignity of work should be extended to more Australians. Our economy needs more workers and many Australians need work. We have seen more than 800,000 jobs created since our election, but more than 200,000 Australians are not working when they could be. We believe that individuals need to take more responsibility for themselves and that those who can work should work. It is not fair to ask taxpayers to help pay the way of people who should be able to support themselves. To end the cycle of successive generations of families being left to languish on welfare, strong requirements will ensure that opportunities for training and work experience are taken. New incentives mean people can keep more as they earn. I look forward to the Gillard Labor government continuing its good work in this area. I am pleased that many residents in my electorate of Bass will be the recipients of this new payment.

I know we are making the right decisions. We know where we are heading as a government, and I implore the Australian public to hold those opposite to account and to find out exactly what their plans are.

Mr BANDT (Melbourne) (19:22): The gap between rich and poor is growing under this government—a fact that even some of its ministers have acknowledged. At one end of the spectrum we have the mining companies who have the wherewithal to spend $26 million on an advertising campaign and thereby get themselves out of paying $100 billion in taxes over the next decade; we have the big banks that are some of the most profitable in the world and that now, in the coming reporting season, are looking at potentially paying an extra unexpected dividend because it looks like they are going to be making so much more money than they expected—and that is on the back of significant public support, including the support we gave them during the global financial crisis; and we have millionaires, people in this country who earn over $1 million, paying the same marginal rate of tax as someone who earns $150,000 or $200,000.

At the other end of the spectrum we have people who are doing it tough, who may have lost their job through no fault of their own and who are forced to live on Newstart. Those people are living below the poverty line. They are $130 a week below the poverty line. It is not just the Greens who have been saying for some time that this is an untenable way to live; the Australian Council of Social Service and welfare groups have been saying that Newstart has not kept pace with the rising cost of living, and also the head of the Business Council of Australia has said that the level of Newstart is now so low that it is a barrier to people getting into jobs. When you have the Business Council of Australia and the Greens and ACOSS all
saying Newstart is too low, then something is wrong in this country.

The order of magnitude we are talking about is $130 below the poverty line, and what is this government's response? This government's response is to boost the benefit by, on average, $4 a week. That is what the Social Security and Other Legislation Amendment (Income Support Bonus) Bill does. This $4 a week will not lift one single person out of poverty. The amount of money that is Newstart does not go very far, as I found out recently, when I tried to live on it for a week. Once you deduct from your $246 the cost of putting a roof over your head there is not much left, even accounting for rent assistance. In a place like Melbourne, that rent would be $180 a week. During the course of last week I spoke to someone who is homeless. He went to a housing service, and they found him a single bedroom in a rooming house in inner-city Melbourne. That single bedroom in a rooming house cost between $180 and $220 a week. That is what people are paying now. I spoke to a single parent today—I will talk a bit more about this in a moment—who said that for the only place she could find that was big enough to house her and her children she is paying $450 a week rent. It does not take much mental arithmetic to work out that, when you start with $246 and then you take out $180, you are not left with a lot to live on for the rest of the week.

What we find around this country is that about two or three days into the week, people on Newstart have spent all their money and that everything else after that is either debt or they rely on family and friends or they go without. People on Newstart are routinely skipping meals because they have no money available to feed themselves. I visited one welfare service in my electorate, St Mary's House of Welcome, that does free or $2 lunches every day for people who live in the area, including many who live in the housing commission flats. If my recollection is right, they told me that in the order of 40 per cent of the people coming through the door are on Newstart—and they are coming in two or three times a week. In other words, Newstart is not even enough to feed yourself on, and the government is outsourcing to charities the obligation of finding enough money for those in our society who are doing it too tough to feed themselves.

These charities and services do a fantastic job, and they do it on the strength of donations and volunteer labour. But people should not have to rely on charity to feed themselves when they are unemployed. The level of government assistance should be enough to at least pay for a decent meal each week. We have not even got into paying for car registration, if they are lucky enough to have a car, or paying for things that might help them get a job—getting a haircut, buying some new clothes, getting training. All of this means that when people find themselves on Newstart they are in a cycle where they are going further and further into debt; they are not getting closer and closer to a job. Things become tougher and tougher.

My small experiment last week was just a simple taste. I was on the dole for a while about 20 years ago, when I finished university and was looking for my first job. It took me the best part of a year to find a full-time job. It was not the most salubrious of existences, but I remember being able to share a house with some other people, that we ate well and that I had enough to buy a suit and go and find a job. You cannot do that now. If any one of us or anyone who is listening found their job gone tomorrow through restructuring, through no fault of their own, they would expect that the income that they went onto would not be as high as they received in their job and probably
would not even be as high as the average weekly wage but would be enough to hold them up until they were able to stand on their own two feet.

We are finding that the safety net is not supporting people when they find themselves in times of trouble; it is strangling them. It is making it impossible to live. Three reports have told the government this.

So what does the government do when given a chance to fix it? It increases Newstart by $4 a week. Of course we are going to support this legislation, because $4 is better than nothing, but $4 is almost an insult.

What is even more insulting, knowing how low the payment is, is that, in order to achieve the now abandoned goal of reaching an early—political—budget surplus, Labor decided to abolish the great Labor legacy of the single parents pension and kick tens of thousands of parents off their benefits and onto the dole on 1 January this year. This has plunged tens of thousands of children around this country into poverty. The extra amount that you get on the dole when you are a single parent is minimal.

Even worse, the government tried to dress up this naked cash-grab as a move to get people into work. When you scratch the surface of that, you understand that the single parents who have been hit hardest by this move are the ones who have been working. They are the ones who are working 15 or 20 hours a week to make ends meet, and that is because under the single parent payment you were allowed to earn a lot more before you started losing your income. But under Newstart you can earn only $30 a week. That means that, as of 1 January, because this government did not have the courage to stand up to the mining industry and pass a proper mining tax and therefore needed some money to try to balance the budget, there are now single parents who are trying to raise their kids and work at the same time who are up to $140 a week worse off. They have lost $140 a week. That is potentially a third of their whole income.

This is having massive flow-on effects. We are seeing people going further into debt—further into hock. Last week I spoke to Catherine, who is a single mum. She has gone back and trained as a graphic designer. She needs her computer as the tool of her trade. Because she is now on Newstart and because the new school year has come around, she had to put her computer in hock to get $200 to buy the schoolbooks. How is it helping someone to find work when they have to put the tools of their trade in hock?

The worst thing is that the people who are suffering the most from this are the kids, because they are now unable to do what their peers are doing. I have had parents tell me that, because they do not get the same income—or, potentially, because they lose Newstart altogether and therefore lose all the benefits, such as the concession card that helps with the rego and the bills—they are now having to make choices like, 'Do I pay the car rego or do I pay for the school camp?'

What is even more heart-breaking is when they tell you, as they have told me, that the kids have now stopped bringing them the permission slips for a camp or an excursion because they know it upsets mum and makes mum cry. That is happening now because Labor has not had the courage to raise the money we need to fund the services and payments that most Australians expect.

This is about values and it is about the kind of society we want to live in. It is about how we treat those who have fallen on tough times—how we treat the hardest working families in this country, the single parents who are balancing work and looking after their kids with no-one else to help them,
quite often unable to pay childcare fees and the like. It is about how we treat them. Do we want to become a more caring society, where we use some of the wealth of this country to look after those who have fallen on hard times and who could be any one of us if we found ourselves unemployed and in need of assistance, or are we going to attack them and keep them living below the poverty line because it is easier to target and pick on them than to ask Gina Rinehart to pay one cent of mining tax? That is what this boils down to.

It was very generous and magnanimous of the government to bump up Newstart by the equivalent of $4 a week! It probably will make a bit of a difference to some people, and they will use that money and they will be very grateful for it. It might help them start to get out of debt. It might help them pay the rego. It might mean that they do not have to put the computer in hock, because they can pay the school fees. But it is almost an insult that, after being told several times that the level of income support in this country is below the poverty line, we are now keeping people there.

We have a choice. Do we want to become a more caring society, where we look after people who have fallen on hard times, or are we going to go down the path where society becomes more dog-eat-dog and we do not care about people who fall through the cracks? That is the direction in which we are going. Until we have the courage to stand up to big business and raise the money that this country needs to fund the services and payments we expect, we are going to see more of these cuts.

Mr KATTER (Kennedy) (19:35): I congratulate the Assistant Treasurer on his excellent contribution, but I would not hold my breath expecting any change from this particular parliament or the new parliament next year.

This is a very wealthy country. In fact, from where I sit, it should be one of the wealthiest countries on earth. I stand in a unique position because, when Premier Bjelke-Petersen was going to Canberra, Bill Gunn and I were effectively running the state of Queensland. We lost government as a result of the Fitzgerald inquiry—and, I might add, we only very narrowly lost government, with only a single minister ever convicted for corruption; some of them were convicted of misusing their ministerial allowances, an entirely different issue. But I saw the great wealth that you can create very quickly in this country.

For the last 10 years I was in the cabinet room, every year that government saw a $200 million tourist development, every year we saw a new mining town open up and every year we saw a new major irrigation dam built. In the 22 years since that government fell, to my knowledge there has not been a single new mining town built in Queensland, there has not been a single $200-plus million tourist resort built and there has not been a single dam built—not one of those items. So those great wealth creators that were leaping into Queensland every year have been destroyed. Why have they been destroyed? Because every time a person wants to do a development, the greenie elements of the Liberal Party or the greenie elements of the Labor Party think of 4,000 reasons that the development cannot go ahead. Eventually the developer just rolls his swag and walks away. That is what has happened again and again in Queensland. So there is no money in the till; there is no tax revenue base to provide the services.

When I was preparing this speech, I was really quite amazed when I added this up—if you are a pensioner couple on $35,00 a year,
wipe out an extra $2,000 for insurance. That is how much insurance has gone up in the last 12 months or two years, and that is because the state government insurance offices were flogged off by the ALP and the LNP governments. They sold our state government insurance offices. So now the big corporations that own the insurance companies can charge whatever they like. There is no benchmark that we can apply to bring them into line. The SGIO was not there as a socialist endeavour; it was there as a benchmark—a policeman to keep the insurance companies honest. If you take the policemen away, you will be charged whatever the oligopolistic corporations want to charge you.

When I went to university I was taught that if you had a monopoly, then there was no free market determination of pricing, that if you had a oligopoly there was no free market determination of pricing and that means few buyers and/or sellers in the market. I was also taught that a competitive market is defined as an unlimited number of buyers and sellers. So, if you wanted a proper determination of pricing, you had to have an infinite number of buyers and an infinite number of sellers. Where we have just three electricity generators—I would say pretty soon it will become two generators in Australia—they can charge whatever they like. It is rather interesting—they put electricity charges up 10 per cent every year.

The DEPUTY SPEAKER (Hon. DGH Adams): Order! I ask the honourable member to address the bill. He is ranging a fair way away.

Mr KATTER: Mr Deputy Speaker, I am talking about our retirees. They have been hit with an extra $2,000 for insurance, they have been hit with an extra $3,000 for electricity, they have been hit with an extra $1,000 a year in rates, they have been hit with an extra $1,000 a year because of the current Labor government's reductions in the subsidy for prescriptions and they have been hit with an extra $2,000 a year on average for dental care because, if you have toothache in Queensland, the waiting list is over two years, so if you have to go to the dentist you have to pay whatever the dentist charges you. If you add those figures up I do not know what it comes to, but I would say it is in excess of $10,000. So it was $35,000 prior to the marvels and wonders of the free market system perpetrated upon us by Mr Keating and his successor in crime, Mr Costello, and we have taken $10,000 from these poor people. Mr Deputy Speaker, I do not want you to get upset because we are giving them $350 back! Through our incompetence we took $10,000 a year off them, but now we are going to very generously give them $350 back, just before the election.

Please excuse the people of Australia for being cynical. Please excuse the people of Australia for loathing and detesting politicians. When I say we are a great and wealthy country, I bear in mind that half of our electricity production in Queensland came from the Gladstone power station and that the power station was fuelled with free coal because we kept some of that coal for the people of Queensland. The Liberal federal government and the Labor federal government gave all of our gas away and reserved no gas for the Australian people. They have reserved no coal for the Australian people. They have let that gas go for nothing—and I fought against giving away the coal seam gas. There should be money in the till to pay for these pensions. There should be money in the till to increase the pension, not give them a meagre $350. Good on the government for giving $350 to retired couples, but I am saying that this should be a wealthy country.
You deregulated the wool industry and destroyed it, so you had no money coming in from there. You let the gas go, to be sold to foreigners for nothing, so you have no money coming in from the gas industry. We are the only country on earth that refuses to introduce an ethanol industry. In the last three months, China has announced ethanol, the United Kingdom has announced ethanol, Japan has announced ethanol and India has announced ethanol. That leaves ours as the only significant economy on earth now that does not have ethanol. All the European countries already have ethanol.

All of the Americas already have ethanol. The United States is the biggest producer of ethanol in the world, and, within five years, the United States will not be sending any money to the Middle East at all; they will be entirely self-sufficient. There is $20,000 million that should be staying in Australia. It should be yielding for this government or any future government—state, federal and local—some $7,000 million a year in tax revenue. But that $7,000 million a year is not there because you do not have an ethanol industry. You are buying your oil from the Middle East. You are sending our money overseas.

There is a massive importation of food into this country. Last time I looked, we spent $10,000 million a year on importing food, representing almost one-third of our food requirements. We are now buying almost all of our motor cars from overseas. That industry was generating $2,000 or $3,000 million in taxation, which should have been going to retirees. All of this money should be there. The destruction of manufacturing has cost Australia $20,000 million in tax revenue.

Mr Deputy Speaker, in your own state, where we should not be importing timber—

The DEPUTY SPEAKER (Hon. DGH Adams): Order! I ask the honourable member to return to the bill. The name of the bill is the Social Security and Other Legislation Amendment (Income Support Bonus) Bill 2012. I ask the honourable member, in his remaining five minutes, to address that bill.

Mr KATTER: Mr Deputy Speaker, I do not wish to in any way impugn your judgement, but clearly in my mind if we do not have the money to give these people then all we can do is give them a meagre $350. If this country were enjoying the great wealth that we should be enjoying, we would have that money.

Let me be very specific now and talk about young couples. Before the time of Mr Keating and this free market rubbish we had a fair tax system. I remember as a young man having three kids and one income. My wife, with three kids, really had to stay at home. I paid virtually no tax at all because there were big tax deductions for those kids. Today Australia has one of the lowest birth rates in the world. In 10 or 12 years time there will be more deaths than births in this country. We are a vanishing race. A husband and wife with three kids on one income are going to get $350 as a result of this bill. After having $15,000 taken out in tax, they are left with $55,000. Then they have accommodation expenses, which are roughly $18,000, on average, in Australia. So, after tax and accommodation, that family of five is left with $37,000. That works out to $7,000 per person. I would like to see you raise a child on $7,000 a year. Is it any wonder that young people—those that can add up—are saying, 'I can't afford to have a kid'? They can't. It is impossible. A double income, no kids couple earning $140,000—two people on $70,000—pays about $35,000 in tax. That leaves them with $105,000. Taking out accommodation expenses, again,
of $18,000 leaves them with $87,000, which is $43,000 per person. The question is: is this a fair system? We give families $350 and expect them to live on $7,000 per person, but we let the DINKs live on $43,000 per person.

I look back with great joy at my family's association with the Labor movement, which delivered a fair system to Australia under which young, struggling families, such as my own at the time, paid virtually no tax. When I was a single man working at the mines in Mount Isa, I paid a fair whack of tax—and so I should have, because I was on huge money. But that is not the fairness of the system now. The fairness of the system now is that young families are crucified in this country. Giving them $350 is not going to solve their problem when they have to try to keep a child alive on $7,000 a year. That will be good fun; that will be certainly a challenge.

God gave us a really wonderful country with very great riches. We are endowed with an ability to produce all of our petrol from ethanol. We are endowed with a country where we could produce all of our petrol from our gas supplies. We are endowed with a country that has coal and iron ore in an abundance that probably no other country on earth has. We have a country that was producing 15 per cent of our entire export earnings from wool when we were intelligently and aggressively marketing that product. We were a country that could feed itself. We were a country that built motor cars. None of those things are true now, and everybody in this parliament knows they are not true. They will not be true unless you make fundamental changes in policy and go back to having the aggressive, highly competitive economy that we once had, not apologising or bowing and scraping and trying to pretend to the rest of the world that we are the great free marketeers—that we are so fair-minded. We are bloody fools for being looked at that way by the rest of the world, and our young people are paying the penalty. (Time expired)

Mr TUDGE (Aston) (19:51): I rise to speak on the Social Security and Other Legislation Amendment (Income Support Bonus) Bill, the purpose of which is to provide two extra cash payments to certain income support recipients. As you would be aware, this bill comes out of a package which the Prime Minister announced with much fanfare last May called Spreading the Benefits of the Boom. The coalition is going to oppose this bill. In the time that I have available this evening, I will outline the reasons we oppose it.

There are three arguments that I will make as to why we are opposing this bill. Firstly, there is no money to pay for it. This bill asks us to appropriate over $1 billion and put it on the government credit card. Secondly, the stated purpose of this bill, which is to support families with cost-of-living pressures, should be achieved in other ways, notably by scrapping the carbon tax and reducing other taxes. Finally, before we start handing out cash-splashes, the government should restore the funding to hospitals in Victoria. The funding cuts are causing beds to close, including in my electorate.

I go to the first point of no funding being available to pay for this package of measures. When this package was announced, it was said that it was going to be paid for by the mining tax. It was a case of 'spreading the benefits of the boom', as the Prime Minister's statement itself said. If you read her statement, it says very specifically that this package will be funded by redirecting minerals resource rent tax revenue intended for the company tax cuts. But, of course, we know what occurred: no revenue came in from the minerals resource...
rent tax. But, when the government realised the fact that no revenue was coming in from the mining tax, they did not look at the spending connected to the mining tax and think, 'We'd better examine that and cut back on the spending connected to the tax.' No, on the contrary, in the typical Labor way, they just did the spending in any case. What does this mean? In essence, it means that this bill asks the parliament to appropriate $1.07 billion and add it to government debt. We are already in billions of dollars of debt. So far the government have racked up $147 billion in net debt. They have delivered the four biggest government deficits in Australian political history. The government, despite promising 500 times that they would deliver a surplus, they have since abandoned their promise. So now, I presume, they think: 'We've abandoned any sense of financial responsibility. We've abandoned any sense of trying to get back to a surplus. What does an additional billion dollars on the government credit card mean, in any case?' I presume that is the thinking of the government in relation to this bill and many other spending commitments they are making with no revenue connected to them. This stands in stark contrast, of course, to the period of the Howard government.

Under the Howard government, there were payments made to families to help with cost-of-living pressures. But guess what? Under the Howard government we had budget surpluses, so they were affordable expenditures and affordable payments. Now we are not in a surplus. We are in deep deficit, with huge debts, and this bill just adds an additional $1 billion to the government's credit card. This is the first reason that we are opposing the bill—the government simply cannot afford it.

The second reason is that there are better and more sustainable ways of meeting the intent of the bill. Again, if I go back to the Prime Minister's statement in relation to the measures contained in this bill, it said that these cash payments will help with cost-of-living pressures. I have no problem with the intent to help families with cost-of-living pressures. Indeed, it will be one of the central goals and central themes which the coalition will prosecute up until the election and, should we be elected, it will be one of our central platforms to address. We know that many families are doing it exceptionally tough at the moment; we know that because we are out there speaking to families on a daily and weekly basis and because they tell us how difficult it is. They tell us that all the essential goods in life are going up way in excess of inflation and way in excess of their salaries. When you actually look at the statistics, you see that they bear this out. For example, if you look at electricity costs, you see that they have gone up by an amazing 90 per cent since the Rudd-Gillard government was elected in 2007. Water has gone up by 64 per cent; gas, 60 per cent; education, 31 per cent; and medical and hospital services, 38 per cent. Child care has gone up by 15 per cent in the last year alone. So the cost of living is absolutely an issue. Many families are struggling.

What has caused these cost-of-living pressures? It is important to ask that question because we need to get to the bottom of it to determine what the best mechanism is to try to support families with their cost-of-living pressures. When you go through some of the increases in prices you see that it is the government's own policy positions, their own taxes and their own regulations that have caused many of these cost-of-living pressures. We know about the electricity price increases, where electricity has gone up by 10 per cent alone this year. It was forecast to go up by exactly that amount due to the carbon tax. The government knew that that...
would occur and they went ahead and did it—so they are responsible. Their tax is responsible for a 10 per cent increase in electricity this year, and this is when the tax is at $23 per tonne. The government want the tax to go up to $350 per tonne by 2050. Gas has gone up by nine per cent, which is also due to the carbon tax.

Health costs have gone up because the government are taking the axe to the private health insurance rebate. It was predicted that, if you take the axe to the private health insurance rebate, the private health insurance rebate will go up for everybody. It adds to cost-of-living pressures. Child care has gone up at a dramatic rate in the last 12 months due to a government policy which is deliberately causing prices to escalate. The Productivity Commission examined the government's proposals in this area and said, 'Yes, you proceed with those policies and costs will go up by 15 per cent.' So what did the government do? They proceeded with those policies. And what have we seen? We have seen costs go up by 15 per cent. The government have introduced 21 new taxes. Generally, of course, the government have added thousands and thousands of new regulations which make it more difficult and more expensive for businesses to operate, and all of that translates to higher costs for goods and higher costs for services for everyday Australians.

And so it is that the government itself has been one of the main drivers of the increases in costs of living for Australian families. Having put up costs for families, the government is now saying: 'Geez, the costs have gone up for families. We'd better give them a cash payment to make up for those costs.' That is the wrong way to think about it. Instead, we should actually be thinking, 'What can we do to take the pressure off the cost side of the equation?'

There are many things which this government should be doing immediately to take costs off families. It starts with getting rid of the world's largest carbon tax. That tax alone adds $515 per annum to the family's budget. This measure is only $210 per annum. So, if the government is concerned about cost-of-living pressures, it could get rid of the carbon tax. That is the first thing that you can do. Minimise the other taxes—that is the second thing that the government can do. Re-examine those 21 taxes which it has introduced and minimise them where possible. Third, stop cutting the private health insurance rebate, because that directly increases the cost of private health insurance. Fourth, do not make child care more expensive to operate. If you make child care more expensive for operators then that means prices go up for everyday families. Fifth, cut the regulations off business. Get rid of the red tape and let businesses be more productive and efficient, because that means they can then pass on their lower costs into lower prices for everyday families. These are the things that would have a demonstrable impact on cost-of-living pressures. That is what should be the focus of the government, rather than putting up costs with its policies and then finding that it has to give a cash splash because people have higher cost-of-living pressures. That is the wrong way to go about it.

My final argument as to why I think this bill is not the right one at this time is that the government has got its priorities wrong. We know that it is wasting money in many areas, but it is also at exactly the same time cutting money from core essential services in the community. I am particularly concerned about the $107 million which this government has cut from Victorian hospitals. That is having an impact right across hospitals—
Ms Plibersek: Mr Deputy Speaker Adams, on a point of order: funding to Victorian hospitals goes up every year under this government. It is more this year than it was last year, and it will be the next year, and it is irrelevant.

The DEPUTY SPEAKER (Hon. DGH Adams): Order! I ask the honourable member for Aston to speak to the bill.

Mr TUDGE: Thank you, Mr Deputy Speaker. I am speaking to the bill. I have outlined three reasons why I am opposed to the bill. The third point is around priorities of expenditure. This is a $1 billion expenditure that we are talking about here with this bill. Meanwhile, the government has cut $107 million from Victorian hospitals. Do you know what that means, even in my electorate? It means that five palliative care beds in Wantirna Health in my electorate alone have now been closed. It also means that in the adjacent electorate, the electorate of La Trobe, five surgical beds have been closed from Angliss Hospital.

The DEPUTY SPEAKER: Order! The bill is not about hospital beds. It is about social security, and I ask the honourable member to come back to the bill.

Mr TUDGE: With due respect, Mr Deputy Speaker, this is about priorities of expenditure.

Ms Plibersek: This is also a Victorian government decision—

The DEPUTY SPEAKER: Order! The minister did not have the call.

Mr TUDGE: When it comes to priorities, they are the types of things that should be done in terms of restoring those cuts which are having a detrimental impact right across my state, including for my constituents in my electorate.

If I could summarise, in conclusion, in the last minute I have available: we all want to be generous for families which are doing it tough. We particularly feel for those who are doing it tough. But if the budget is in serious deficit, as it is now, if there is an enormous government debt, which there is now, then we cannot afford the cash splashes which this bill proposes. What we can do, though, is make a real impact on cost-of-living pressures by cutting the taxes, by cutting the red tape, and by having sensible policies to keep costs down. Those should be the government's priorities.

Mr SHORTEN (Maribyrnong—Minister for Financial Services and Superannuation and Minister for Employment and Workplace Relations) (20:05): Nothing is more important to a Labor government than creating good jobs and fair workplaces. We understand that having a job is the best way to deal with cost-of-living pressures. Work is the key. Long-term unemployment, intergenerational joblessness and welfare dependency are not just tough; they are a waste of human potential. Labor is the party of work. It is in our DNA. We are also the party who will speak up for the disempowered, the marginalised, the discriminated against and the disadvantaged.

That is why, in government, I believe that some of our greatest milestones are the public policy achievements which place a strong safety net under Australian society while helping create the circumstances for as many citizens as possible across Australian society while helping create the circumstances for as many citizens as possible across the community to rise to high levels of comfort and security. We have always judged ourselves, in part, by how we help the most downtrodden and disadvantaged in our community.

So I am proud to conclude debate on the Social Security and Other Legislation Amendment (Income Support Bonus) Bill 2012 tonight. The bill includes amendments

This bill will give effect to this government's 2012-13 budget commitment to introduce a new supplementary allowance for eligible income support recipients. In practical terms, this measure will help around 1.4 million Australians to manage unanticipated expenses by providing an additional $210 a year to single recipients and $350 a year to most couples where both partners are eligible. These payments are being made because we know that households reliant on income support benefits as their main source of income can find it hard to manage unexpected costs, such as urgent repairs on the family car or appliances, bills that are higher than expected or unforeseeable medical or dental costs.

These payments underline the government's $1.1 billion commitment over the next four years to support eligible welfare recipients. This includes Newstart allowance, youth allowance, parenting payment, Austudy, ABSTUDY, living away from home allowance, sickness allowance, exceptional circumstances relief payment, transitional farm family payment and special benefit. The income support bonus will also be tax free and indexed twice yearly in line with the consumer price index, making sure the payment keeps pace with the real costs recipients face. We understand that it is very tough to live on unemployment benefits, including but not only the Newstart allowance.

Eligible Australians, defined as those receiving a qualifying income support payment on 20 March 2013, can look forward to receiving their initial payment as part of their first income support payment after this date. They will not have to apply to receive the income support bonus; the payment will be automatically made to those eligible people. Income support bonus payments will then be made in March and September every year, provided the recipient is on a qualifying income support payment on 20 March or 20 September for the respective payment.

For single recipients, the payment will be $105 for the initial payment or $210 a year. The payment to most persons who are a member of a couple will be $87.50 in the first payment or $175 a year. As is the case with other supplements, each entitled member of a couple separated by illness, with a partner in respite care or with a partner in jail will be paid at the single rate of $105. The bonus is not separately means tested, because income and assets tests already apply to the person's qualifying income support payment, but will be subject to the existing income management provisions.

The government also welcomes today the report of the Senate Education, Employment and Workplace Relations References Committee on the adequacy of the allowance payment system. We will be carefully and seriously considering the report recommendations. I am indebted to the work of the senators and also those who have made contributions to this report. The Gillard government has acknowledged on a number of occasions that it is not easy for a person to live on the current rate of the Newstart allowance and that many in our community are doing it tough. Combined with related measures, such as the doubling of the liquid assets waiting period thresholds, the income support bonus will assist vulnerable members of our society, including those on the Newstart allowance, to manage unforeseen expenses and increasing costs.
The income support bonus offers assistance to disadvantaged Australians whilst being framed against a background of fiscal prudence, given the tough budgetary considerations of the government and our ongoing priority on jobs. Indeed, the income support bonus is fully accounted for in MYEFO as part of the budget process. It will again be accounted for in the budget bottom line. Today, the real story which gets overlooked by those opposite is that it was the unholy coalition of the conservatives and the Greens opposing a reduction in the corporate tax rate that in fact allowed us to spend some of that money on the income support bonus. We believe fundamentally in spreading the benefits of the boom.

The consequence, if this bill is successfully passed tonight, is that over one million Australians are set to benefit from $1.1 billion in extra income support to cope with cost-of-living pressures. We hope to pass this bill tonight despite the opposition's constant negativity. We are disappointed that they will vote against this modest extra support. I would again beseech the opposition: this battlers' bonus will deliver more than $1.1 billion in extra payments over the next four years to help people receiving income support cope with those unexpected cost-of-living expenses. The Gillard government recognises that people who rely on income support benefits as their main source of income can find it very tough to manage those unexpected costs. As I said earlier, there are always things which are difficult to plan for—such is life—such as: urgent repairs on the family car or essential appliances; those unexpected, but necessary, medical expenses; or indeed the bills which come in. I am disappointed that the opposition will not support these one million low-paid Australians, who are worthy of additional support.

As I have said, those eligible will not have to apply to receive the income support bonus, as the payment will be made automatically by the Department of Human Services. In conclusion, our first priority is to help create and maintain fair jobs for all Australians who are willing to work, but this income support bonus will help us get the balance right. We believe fundamentally in helping disadvantaged Australians while doing everything that we can to move people back into paid work. That is why we are putting significant resources into vocational training to assist people, into job agencies to help place people in work, into helping Indigenous Australians in remote communities find work and be work ready and into helping people with disabilities, who are a group that have been neglected in the labour market for a very long time.

This income support bonus is a further effort to strengthen our safety net to maintain this country's position as the most just society on earth. The coalition's decision to vote against this important legislation, if that is what they do, unfortunately comes on the back of the Leader of the Opposition telling the National Press Club last week that he plans to increase superannuation taxes by up to $500 on 3.6 million low-paid Australians who earn less than $37,000 a year and who include 2.1 million working women.

Tonight we will see a new land speed record set, with one party in Australian politics voting twice in one day not to support people who are low paid, with low incomes. We hear them repudiate low-income superannuation concessions, where we have abolished the tax paid by 3.6 million Australians on their superannuation contributions—people who earn less than $37,000—and tonight we see the opposition opposing modest support getting the balance right for one million-plus Australians who require this assistance in their time of need.
I am afraid it is becoming increasingly clear that one of the dividing lines in the upcoming election this year, as reflected by the coalition's treatment of this bill, is that, when it comes to helping the low paid, when it comes to helping people on allowances, when it comes to helping people who have very modest incomes, the opposition have read the Mitt Romney game book, have watched the Mitt Romney videos and are not supporting the low paid; instead, they would hand money back to the mining companies. They do not support people on low incomes. They have low-paid Australians in their sights.

I thank members for their contributions, even if I did not agree with those of the opposition. I commend the bill to the House.

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

The House divided. [20:20]

(The Speaker—Ms Anna Burke)

Ayes....................74
Noes.....................70
Majority..............4

AYES

Adams, DGH
Bandt, AP
Bowen, CE
Brodtmann, G
Butler, MC
Champion, ND
Clare, JD
Combet, GI
Danby, M
Dreyfus, MA
Ellis, KM
Ferguson, LDT
Fitzgibbon, JA
Geogarinas, S
Gray, G
Griffith, AP
Hayes, CP
Jenkins, HA
Katter, RC
King, CF
Livermore, KF
Macklin, JL
McClelland, RB
Mitchell, RG
Neumann, SK
O'Connor, BPJ
Owens, J
Perrett, GD
Ripoll, BF
Rowland, MA
Rudd, KM
Shorten, WR
Smith, SF
Snowdon, WE
Symon, MS
Vamvakalou, M
Windsor, AHC

AYES

Melham, D
Murphy, JP
Oakeshott, RJM
O'Neil, DM
Parke, M
Plibersek, TJ
Rishworth, AL
Roxon, NL
Saffin, JA (teller)
Sidebottom, PS
Smyth, I
Swan, WM
Thomson, KJ
Wilkie, AD
Zappia, A

NOES

Alexander, JG
Andrews, KL
Billson, BF
Bishop, JI
Broadbent, RE
Chester, D
Ciobo, SM
Coulton, M (teller)
Entsch, WG
Forrest, JA
Gambaro, T
Griggs, NL
Hartbyker, L
Hockey, JB
Irons, SJ
Jones, ET
Kelly, C
Ley, SP
Marino, NB
Matheson, RG
Mirabella, S
Moylan, JE
O'Dowd, KD
Prentice, J
Ramsey, RE
Robb, AJ
Roy, WB
Schultz, AJ
Secker, PD (teller)
Smith, ADH
Southcott, AJ
Tehan, DT
Tudge, AE
Van Manen, AJ
Washer, MJ

NOES

Andrews, KJ
Baldwin, RC
Bishop, BK
Briggs, JE
Buchholz, S
Christensen, GR
Cobb, JK
Crook, AJ
Fletcher, PW
Frydenberg, JA
Gash, J
Haase, BW
Hawke, AG
Hunt, GA
Jensen, DG
Keenan, M
Laming, A
Macfarlane, IE
Markus, LE
McCormack, MF
Morrison, SJ
Neville, PC
O'Dwyer, KM
Pyne, CM
Randall, DJ
Robert, SR
Ruddock, PM
Scott, BC
Simpkins, LXL
Somlyay, AM
Stone, SN
Truss, WE
Turnbull, MB
Vasta, RX
Wyatt, KG
Question agreed to.
Bill read a second time.
Message from the Governor-General recommending appropriation announced.

Third Reading
Mr SHORTEN (Maribyrnong—Minister for Financial Services and Superannuation and Minister for Employment and Workplace Relations) (20:28): by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

International Fund for Agricultural Development Amendment Bill 2012

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

Ms JULIE BISHOP (Curtin—Deputy Leader of the Opposition) (20:29): I rise this evening to speak on the International Fund for Agricultural Development Amendment Bill 2012. This bill, if passed, will allow Australia's re-engagement with the International Fund for Agricultural Development, IFAD. A specialised agency of the United Nations, it aims to alleviate rural poverty. Having seen the face of human suffering brought on by malnutrition, there is no disputing that much more needs to be done in this area. In times of greatest suffering, as was seen in the Horn of Africa, Australians have generously thrown their support behind international relief efforts. Food security will be one of the great humanitarian and security challenges that will confront the international community over the coming years and decades. Rising populations, coupled with the growth of new middle-class markets in regions such as Asia, will increase the global demand for protein-rich foods and cereals.

As was seen in 2007-08, sharp increases in global food prices can be the catalyst that tips fragile societies into violent ones. At that time food riots broke out in at least a dozen countries, including Egypt, the Ivory Coast, Senegal, Yemen and Mexico. In Haiti, protests over rising food prices resulted in the death of at least six people, including a United Nations peacekeeper. The country's prime minister was forced from office after Haiti's parliament accused him of mishandling the government's response. This crisis was the product of a range of factors, including drought conditions in producing countries, increasing oil prices, demand for biofuels and restrictive trade practices.

Recent analysis by the Economist Intelligence Unit has pointed to sub-Saharan Africa as the most vulnerable region for food security. South Asia is considered the second lowest, with countries like Bangladesh particularly susceptible to disruptions to its food supply. According to Future Directions International, recent disasters in the country destroyed more than a thousand hectares of seasonal crops and much of its seed inventory. World Bank Group President, Jim Yong Kim, has warned that rising food prices are:

... threatening the health and well-being of millions of people. Africa and the Middle East are particularly vulnerable, but so are people in other countries where the prices of grains have gone up abruptly.

The coalition supports efforts to improve international food security. Our nation's history of rural development, often in the face of tremendous adversity, enables Australia to play an important—indeed,
leading—role in this area. Our technical expertise in areas such as tropical agriculture, dryland farming and establishing the regulatory frameworks that sustain agricultural development is widely regarded throughout the world. This support is not unconditional, however. We have a duty to ensure that the international organisations to which we contribute Australian taxpayers' money are accountable, fully accountable, to their members. We must also ensure that any decision, no matter how great or small, is in Australia's national interest.

My concerns, where they exist, do not relate to the issue of food security, nor do I question the need for enhanced and better-coordinated international action in this area. Rather, my concerns focus solely on the organisation IFAD, the International Fund for Agricultural Development, its history of organisational shortcomings and its strategic fit within the Australian aid program. These concerns are not new. In 2004 the former Howard government withdrew Australia from the fund, citing its:

• Limited relevance to the Australian aid program's priority countries in South-East Asia and the Pacific
• Lack of comparative advantage and focus - other organisations are more strongly involved in rural development in our region
• Failure to respond to concerns that the Australian Government raised with IFAD senior management.

The decision to withdraw from the fund was supported at the time by the Joint Standing Committee on Treaties. According to the committee's report:

AusAID has had concerns regarding IFAD’s performance in relation to the Australian aid program and its priorities for ‘a substantial period of time’.

The committee found:

The lack of focus on South East Asia and the Pacific by IFAD is contrary to Australia's policy of focusing on the immediate region.

And:

… it is reasonable to ask whether this is the best use of our aid dollar.

At the time of Australia's withdrawal, the Australian aid program's priority regions of South-East Asia and the Pacific accounted for only seven per cent of all IFAD loans over the five years to 2002, according to the national interest analysis. The national interest analysis presented to the committee noted:

Systematic assessments by AusAID of IFAD's performance have highlighted serious concerns with IFAD's lack of focus on South-East Asia and the Pacific and shortcomings in its management and donor relationships.

It was:

… the Committee's view that Australia should withdraw from IFAD and utilise the ongoing savings on overseas development assistance in South-East Asia or the Pacific.

The decision to withdraw Australia from the fund was not made easily but it was both justified and necessary. As the recent review of Australia's engagement with IFAD stated:

In 2004 these were clearly valid, important reasons for Australia to take the sufficient and protracted step of withdrawing from a UN organisation.

Given the significant financial contribution that will be asked of Australia, the Australian parliament must satisfy itself that all of these shortcomings have been addressed. We must also be assured that the millions of dollars that will be required to support Australia's ongoing membership of IFAD are not better applied elsewhere, such as combating the spread of tuberculosis in Papua New Guinea, which received less than $6 million in funding from AusAID last year. It was for these reasons that the coalition referred this bill to the Joint Standing Committee on
Foreign Affairs, Defence and Trade for further detailed consideration. Specifically, the committee was asked to determine whether the International Fund for Agricultural Development has fully addressed the concerns that were raised by the former Howard government and which prompted Australia to withdraw from the organisation in 2004.

Having assessed the evidence presented to the committee, it is clear that the answer is no—the fund has not fully addressed the concerns of the former Australian government. Progressing along the reform path is not the same as having fully addressed these problems. In fact, the review of Australia's engagement with IFAD states: ... challenges remain in HR and financial management.

A 'Desktop analysis of the International Fund for Agricultural Development', an annex to the review, found: ... IFAD is benchmarked worse than peers for some aspects of financial management and administration.

Too many questions remain unanswered about the fund for the coalition to lend its support to this bill. In its multilateral assessment of IFAD, the United Kingdom Department for International Development described the likelihood of positive change within the fund as 'uncertain', as it was too soon to judge the impact of the new top management team. Given this assessment, why isn't the Australian government waiting until the likelihood of positive change is better known? Why is the Australian government making a $120 million payment to the fund in 2013-14 when the United States only committed $90 million; the United Kingdom, $82.9 million; Canada, $76.8 million; and Germany, $70 million; and New Zealand committed nothing in the last replenishment round? What is the government's justification for proposing a larger contribution from the Australian taxpayer than the United States, with an economy of $15.6 trillion; Germany, with an economy of $3.3 trillion; Britain, with an economy of $2.4 trillion; or Canada, with an economy of $1.7 trillion? Is this commitment based on careful analysis, or is it, as it appears, just the latest example of the government shovelling money out of the door in order to appear to the world as if it is meeting its aid policy commitment of 0.5 per cent of gross national income by 2016?

Far too often, just spending money is the default position for this government, without consideration of the detail—usually it is done on the back of a drinks coaster. Time after time this government has shown itself incapable of even the most basic responsibilities expected of our nation's leaders. When it comes to fiscal management, the government is content to make it up as it goes along. If Australia is to rejoin this fund, there must be no doubt that our aid money will be spent both efficiently and effectively.

According to IFAD's 2011 annual report on investigation and anticorruption activities, the number of allegations of fraud and corruption received by IFAD's Office of Audit and Oversight has increased from five in 2004 to 41 in 2011. When asked about corruption within the fund during the committee's inquiry into the bill, AusAID stated that it was unaware of any allegations. It was in IFAD's annual report. Given the amount of money that is involved, the Australian people rightfully expect that their government will undertake the necessary due diligence. It has not. Once more, this work has been left to the coalition.

As a result of these concerns, the coalition has no option but to oppose the bill. As I have stated earlier, this position does not
reflect our views about the need for greater international action on food security. Rather, it is about ensuring that good public policy is achieved—a lesson that this government continues to ignore. The coalition call on the government to show prudence, to delay the bill until the concerns that we have raised are fully addressed and the impact of the reform program commenced by IFAD's new management is known and can be properly assessed. I urge the government to take this sensible and logical course, given that $120 million of taxpayers' funds are involved. As we continue to coordinate international efforts on food security and on agricultural development, the government should be conscious of the need to ensure that our aid dollar is spent as effectively and efficiently as possible—indeed, it is our obligation as parliamentarians to ensure that that is the case. The government has failed to do so. The coalition opposes this bill.

Mr CHAMPION (Wakefield) (20:41): I listened very carefully to the Deputy Leader of the Opposition's speech, and let me say from the outset that they never intended to vote for this bill, they oppose rejoining the fund, and if you wait for them to be satisfied you will be waiting for all time.

The fact is that this bill, the International Fund for Agricultural Development Amendment Bill 2012, comes before the House after two parliamentary inquiries. The previous inquiry was done by the Joint Standing Committee on Treaties, and its report said that it supported the Agreement Establishing the International Fund for Agricultural Development (Rome, 13 June 1976) and recommended that its binding treaty be taken.

Of course, the Howard government may have had good reason for withdrawing from the fund in 2004, and it did not seem like an extraordinary action to do that. It was certainly sending a message to the fund about their internal governance issues, and I would think that it was the strongest possible action. An alternative course of action would have been, of course, to simply not put any money into the replenishment rounds. That would have also sent a message, I would have thought.

Nevertheless, we withdrew from an organisation that we had been a founding member of, an important organisation for the world because it combats poverty, particularly related to agricultural development, and we know—I certainly know from my own interactions on the foreign affairs committee—that agricultural development is crucial to combating poverty. You only have to go to Timor, where they have a hungry season every year for two months of the year, when, while they do not starve, people certainly go hungry; there is not enough food around. If you go to Pakistan or any of those countries, you certainly find that agricultural development and agricultural productivity can have a very big impact on the reduction of poverty. And of course if we reduce poverty we increase the stability of these communities.

I chaired the Foreign Affairs Subcommittee, which looked into this bill. We recommended that it be passed. There was a minority dissenting report ably done by the member for Berowra, who will no doubt follow me in this debate. What we found, and what the evidence shows—and it is in the committee's report—is that it was AusAID that recommended that we rejoin the fund, and it was AusAID that thought it was the right time to do that. They had made their assessment about the best way of spending our aid dollars. We have to remember that the contribution we make to the International Fund for Agricultural Development is something like 0.4 per cent or so of our overall aid budget, so it is
actually a very small part of it. But they wanted to rejoin because they thought it was the right time to do it—and they thought that based on the assessments of the United States and the United Kingdom, both of which have pretty robust governance arrangements over their foreign aid budgets.

If the Conservative government of the United Kingdom is contributing, and if the government of the United States, which gives pretty rigorous scrutiny through the congress, is contributing, it makes sense for Australia to join the fund and it makes sense for us to contribute. We might have a debate about how much we should contribute. That is a debate which should possibly be had in the context of budgets. But, on the question of whether or not we should rejoin, it seems to me to be just sensible to do so at this point. Governments retain the right and ability to influence the conduct of the organisation simply by contributing or not contributing. The previous speaker referred to New Zealand not contributing this year—although I do not know if that action was an attempt to influence the conduct of the organisation or not.

The reasons for Australia’s withdrawal in 1984 have been addressed by the fund. The fact that they have more corruption reports results from their new governance arrangements. When you go looking for corruption, you will of course get more reports of it. When you go looking for corruption, you will of course have more prosecutions. The greater the transparency you seek, the more instances you will turn up. That is true of any organisation.

The conclusion of AusAID's report in 2011 was that there was a strong business case for Australia to rejoin IFAD. The reasons given were, firstly, that the work of the fund contributes directly to Millennium Development Goal 1, the reduction of poverty; to goal 3, improving gender equity; and to goal 7, environmental protection. Secondly, the report said that IFAD was seen to be effective, results-focused and providing value for money in the increasingly important rural development sector—and, in my opinion, we do not spend enough on things such as agriculture and rural development in our foreign aid budget. By far the most important thing we can do to improve living standards is to increase farmers’ incomes and the surplus they are able to get from their land.

AusAID's report also found that there was: … close alignment between IFAD and Australia’s priorities for food security and rural development—and that IFAD offered:

… partnerships in regions and sectors where Australia wishes to expand but lacks deep technical or country knowledge and presence.

One of those areas, obviously, is Africa, where we have large mining interests but where our diplomatic footprint is not large, meaning we are reliant on multilateral institutions to deliver our aid. The final reason given by the AusAID report for Australia to rejoin IFAD was that it offered Australia the opportunity for strong Australian influence and profile. You only get that influence and profile—and the levers to change an organisation—if you join. You have to join. You have to stay in and fight.

I am surprised it has not been suggested in a speech—because it was certainly suggested in the proceedings of the committee and in other places—that this move to rejoin IFAD was part of our bid for a UN Security Council seat. I draw members' attention to paragraph 2.15 of the committee's report: AusAID in evidence stated that the decision to rejoin IFAD was, to its knowledge, not influenced by Australia’s bid for a non-permanent seat on the UN Security Council.
That evidence was given after consultation. They consulted the United Nations Security Council task force within DFAT and were, in the committee's deliberations, the subject of the probing questions of the member for Berowra.

The committee looked at the reasons that we withdrew, we looked at the business case and we looked at the accountability issues. It was clear that there were governance issues, but it was also clear that they were now being addressed. No-one can predict the future conduct of officials or of an organisation, but, as quoted at paragraph 2.33 of the report, Results International Australia gave evidence that:

Since 2005, IFAD has also implemented an anticorruption strategy, which gives its Office of Audit and Oversight unrestricted ability to investigate complaints and allegations, and also empowers a Sanctions Committee to decide appropriate action where a case of fraud is substantiated. … IFAD also established an Ethics Office in 2011 to investigate and provide guidance on ethical issues for IFAD staff.

Clearly, when you put those corruption-breaking strategies and governance arrangements in place, you are going to get complaints and you are going to do investigations. That helps in cleaning up an organisation and make sure everyone is doing the right thing. There is no organisation which is perfect.

One other issue raised was the location of IFAD programs. We now know that East Asia and the Pacific are receiving some 31 per cent of IFAD allocations—so there has been a change in IFAD's focus. They are more focused on the Asia-Pacific, they are more focused on corruption issues and they are more focused on delivering on their mission statement: to reduce rural poverty and hunger and to work with smallholder farmers who are disproportionately represented among the poor, the vulnerable and the food insecure. This is a worthy goal. I think the organisation, while not perfect, is conceptually a good one. I think they are making progress in making sure that they are an organisation which will safeguard the Australian taxpayers' money being used to achieve their important goal, and I think the government of Australia and the parliament of Australia will have an influence over the running of the organisation, as do the governments of the United Kingdom and the United States of America.

They will also have an influence over whether or not the International Fund for Agricultural Development is a good organisation and whether it fulfils its mission statement. We should not forget that it is a really important mission statement. This is an area that Australia's aid budget should have a greater concentration in, and we can only really facilitate that if we are a part of multilateral organisations, if we are working with others and if we are doing it cooperatively. I think it is a worthy goal. Despite the opposition's refusal to back this bill, if they are in government—I should not pre-empt the election process—Mr Laming: Go right ahead.

Mr CHAMPION: I cannot—it is for the Australian people to decide, of course. If they were to take office I think that, despite their objections tonight, they would continue on the path the government has set—and that is to be a part of this very important organisation, to make sure it is delivering the world's poor and to monitor closely its conduct and make sure that it does a good job. I commend the bill to the House.

Mr RUDDOCK (Berowra) (20:54): I came to the debate on the International Fund for Agricultural Development Amendment Bill largely without any agenda and with little knowledge of the subject matter, and I am persuaded by a different view from that
taken by the member for Wakefield. I first emphasise, as the Deputy Leader of the Opposition and member for Curtin did in her remarks, that we support the need for enhanced international responses to food security issues in developing countries. This is not an area in which we are opposed to proper and responsible expenditure. We think our skills and knowledge in agriculture are uniquely relevant to solving many problems with food security in the developing world, but we believe the money must be spent well.

While it is important to note—and the member for Wakefield made mention of this—that IFAD in its funding arrangements of the past did not place much emphasis on funding developments in this part of the world, Australia has nevertheless taken an interest in addressing food security questions in other parts of the developing world such as Africa and that sometimes we have been particularly well-placed to do so. As a member of the Foreign Affairs, Defence and Trade Committee I went to Africa and we visited some projects in Ghana involving Australian aid, and what impressed me was that we were able to see works of the CSIRO, who had developed specific programs for dryland farming. These were regions where dryland farming was unique and it was a matter that had to be addressed, and Australia was in a particularly advantageous position—having similar difficult areas in which to farm—to share that knowledge and expertise.

As far as the opposition is concerned this is not a matter of ignoring food security in developing countries. Our view is that money must be spent well and it must be spent to achieve the best possible outcome in areas in which we choose to target our aid. Sometimes there are differences about targeting. I am one of those who thinks that Australia ought to be targeting more in our region, and I think Europe ought to be targeting more in Africa. North America ought to be targeting more in South and Central America. I think we have particular responsibilities in the Pacific and South-East Asia. We are unique in being able to pursue programs in this part of the world, and we have seen a shift in that emphasis under this government.

One of the points I note is that this is a government decision. The member for Wakefield in his observations put it on AusAID and suggested that this was their initiative. I am not sitting in the government, so I do not know the processes, and I am not sure the member for Wakefield knows the processes. However, I suspect that professional public servants, doing their job and having been asked by the government to support a decision that it wanted, would find reasons for taking the decision. That is what I suspect—professional public servants advancing arguments on behalf of the government of the day. I believe that the government of the day is in a position to rethink this issue. There is $120 million being proposed as an aid expenditure priority at a time when other money is being allocated to building detention centres as part of Australia's aid program. There are issues of priority that this government is addressing, and money taken from aid programs—the government will not tell us precisely where from—is now being spent on immigration detention issues offshore. It is a very important point to note.

I will go through some of the reasons that the decision to withdraw from IFAD was taken in 2004. It was a proper decision because we saw limited relevance in the priorities that IFAD had established, and South-East Asia and the Pacific were not part of its agenda.
We saw a lack of comparative advantage in focus, and we saw shortcomings in management. It seems to me that, if we are to rejoin the fund and spend a significant amount of money, those concerns should have been fully addressed. I do not believe proof has been produced that these problems have been solved.

AusAID officials appeared before the committee, as mentioned by the member for Wakefield, on 25 October, and I asked them this question in relation to IFAD's management:

Do you believe all of those concerns have been addressed?

The AusAID representative said:

I believe that the concerns have been well documented and that we are satisfied that our concerns have been heard by IFAD and substantially acted upon.

I emphasise that: 'substantially acted upon'—not wholly acted upon, just substantially acted upon. They continued:

As per our previous comments, they are not all the way there yet but they are making progress …

My view is that I will look at it when they have progressed it to finality. I asked if they could quantify the progress that has been made, and AusAID said no.

The April 2011 review of Australia's engagement with IFAD identified ongoing challenges for the organisation in terms of human resources and financial management. The report said:

... IFAD is benchmarked worse than peers for some aspects of financial management and administration.

This is AusAID's own review. It also states that, according to the Multilateral Development Banks' Common Performance Assessment System report of 2008:

... IFAD had the lowest disbursement ratio and one of the less satisfactory variances between planned and actual project duration.

The United Kingdom, in its 2011 Multilateral aid review, stated that IFAD's organisational strengths were 'satisfactory', noting high administration costs and the need to improve project efficiency.

As mentioned by the member for Curtin, allegations of fraud and corruption received by IFAD's Office of Audit and Oversight are up from five in 2004, when these matters were being looked at closely, to 41: 25 against external staff, 13 against IFAD staff and three against both external and IFAD staff. Staff misconduct cases involved harassment, breaches of confidentiality, recruitment irregularities and conflicts of interest, with external activities and other fraud on the part of companies and project staff. At the same time, the Office of Audit and Oversight reduced staff numbers.

What I found particularly fascinating was an article by John Phillips entitled 'IFAD chief in expenses furore'. It made the following points:

Felix Kanayo Nwanze, the President of the International Fund for Agricultural Development (IFAD) has instituted spending cuts at the U.N. agency worth an estimated dlrs 2.5 million but has resisted diplomatic efforts to curb his extraordinary personal expenses including rental of a luxurious villa complex on the exclusive Appia Antica, senior officials say.

As Mr Nwanze prepares to present IFAD's 2011 Rural Poverty Report at Chatham House in London in December, senior U.N. officials have expressed concern over the cost of his sprawling Roman mansion set in two hectares of manicured lawns and parkland featuring a swimming pool, gymnasium, soccer pitch and basketball court and garage housing the president's two black BMWs, a jeep and a limousine, with diplomatic license plates.

I could go on; it is worth reading. This is the way in which those who are advantaged in this organisation have looked after themselves. But AusAID, when I asked,
'Have there been any allegations of corruption within the fund,' replied:
Not that we are aware of.
'Not that we are aware of.'

IFAD's 2011 annual report on investigation and anticorruption activities stated:
The increased volume of allegations ... with the reduced staffing ... led to a very high investigation caseload of 59 active cases in 2011 (compared to 49 active cases in 2010 and 33 active cases in 2009).

So the allegations are increasing, but the number of staff looking at these matters is down. The UK's Multilateral aid review report concluded that the likelihood of positive change within IFAD was 'uncertain', saying:

IFAD has a relatively new top management team and although commitment is clear, it is too early to judge impact.

So I think there are very substantial reasons that we ought not to be in front of the pack. The member for Curtin made the point that, when you see that the United States and the United Kingdom are contributing less than we are being asked to contribute and that New Zealand is not involved in these matters all, you have to ask yourself: why is there a hurry to get on board again? The committee concluded that the move to rejoin IFAD was not because of any other interests; it was not related to our bid for a seat on the UN Security Council. The committee came to that view. The AusAID officials denied it was linked—and I think that is probably right; they do the right thing by the government of the day.

What I think is particularly germane to these discussions today and ought to influence people in relation to this matter were the comments by the member for Wakefield, because he said in his observations—notwithstanding the comments made in the dissenting report and by me and by the member for Curtin today—that we should be rejoining this organisation now in order to increase our 'influence and profile'. He did not explain what 'influence and profile' meant, but I think it is not unreasonable to read into those remarks that this is about the Australian government, which wants to have a much larger role internationally, increasing its influence and profile.

Quite frankly, I do not believe Australian taxpayers' funds should be treated in such a cavalier way. When our budgets are under as much pressure as we are being told they are under, to find the funds to re-join an organisation where all the issues have not been fully dealt with—and we have been told that by officials—just to increase our influence and profile I think is a very questionable decision. I would suggest, even at this late stage as the government is planning for a budget, that if they want to put this off for a while it would not be out of character with some of the other decisions they are going to have to take. It would not be unreasonable, and I do not think the Australian public would see it as being unreasonable.

Dr Leigh (Fraser) (21:08): It is a particular pleasure to follow the member for Berowra in this debate on the International Fund for Agricultural Development Amendment Bill 2012. My first-ever engagement with a federal parliamentarian was when I was a young volunteer for an organisation called Community Aid Abroad, now part of Oxfam. Community Aid Abroad invited us to visit our federal member of parliament to speak about the importance of foreign aid and why it should be increased. I suspect I was to the left of the member for Berowra even as a whippersnapper, but I do remember him being very good to me, giving me at least half an hour of his time, listening through what I am sure were not particularly
well-informed comments about foreign aid and providing some genteel responses about his views on the issue. Those meetings do occasionally come back to me now as a federal member of parliament—thinking about the importance of giving time to somebody who has passionate feelings about an issue even if one might know more about that issue than they do. I use this opportunity to thank the member for Berowra, some two decades late, for his generosity in that regard. It made a mark and it continues to shape my dealings with my constituents.

Mr Ruddock: Can I interject and say thank you very much.

Dr LEIGH: The interjection is greatly appreciated. The topic before the House today is foreign aid and global poverty. As Robert Lucas famously said, once one starts to think about the human welfare involved in these great issues, it is hard to think about anything else. I think it is important in this place that we do not just speak about the quantum of aid, important as that discussion is—and I am pleased to be part of a government which is increasing our overseas development assistance ratio to GNI to 0.5 per cent by 2016-17—but that we also speak about what that aid can do. We are in a world in which the statistics on poverty are staggering—where 1.4 billion people living in poverty and two-thirds of those are in our region. Every day 22,000 children under the age of five die from preventable diseases. Millions live in makeshift camps and gangs in Africa perform acts which are more abhorrent than anything a Hollywood movie producer could dream up.

Australia's aid does make a difference. To take one year's example, in a single year the Australian foreign aid program built 2,000 schools in India, funded a women's crisis centre in Fiji, prevented 8,000 cases of blindness in East Asia and provided clean water to 1.2 million people in southern Africa. World Vision CEO Tim Costello claimed that the Australian aid budget in a typical year saves around 200,000 lives. So we can make a difference. Australia may be a country which contributes only a couple of per cent to the world's economy, but what we do does make a difference.

In my view the Australian aid program should be shaped by the principles of comparative advantage, by thinking about what our aid program can do better than other countries' aid programs. There are three areas in which our country's development assistance program has a comparative advantage over those of other countries. The first is in resource extraction. We are one of the few developed countries in the world with high mineral wealth and have useful lessons to teach developing countries about the effective extraction of those resources in a way which enriches the whole population.

Our second comparative advantage is in dealing with fragile states. The region in which we live has a large number of fragile states. I think the Australian experiences in East Timor and the Solomon Islands stand in stark contrast to other attempts around the world to intervene in fragile states. That is also an important comparative advantage of the Australian aid program.

The third comparative advantage is in dryland farming. Australia's experiences with dryland farming are important for other countries. Our farmers have a lot of experience in good water management, in the selection of hardy crops and animals and the management of seed stocks in environments in which rainfall is volatile. We convey some of that information through the Australian Centre for International Agricultural Research, through involvement in the World Food Program and through the G20's Committee on World Food Security. Our
involvement and re-engagement with the International Fund for Agricultural Development is, I think, another way in which Australia's expertise in dryland farming can be conveyed to developing countries.

There is great possibility for bringing millions of people out of poverty through improving agricultural productivity.

The 1960s and 1970s saw a green revolution in which the combination of hybrid seeds, chemical fertilisers, pesticides and herbicides massively raised agricultural output. By one estimate, the green revolution saved a billion people from starvation. Yet today, when Africa should be a net food exporter, it has become a net food importer. African cereal yields are 66 per cent below the global average. Africa is a continent that has one tractor for every 868 hectares, compared with the global average of one tractor for every 56 hectares. So Africa is a place with fewer farm machines than it should have.

There have been some successes. Malawi’s agricultural output has increased substantially. We ought also to think about innovative financing models. The economist Ted Miguel has argued that aid agencies should work with developing country governments to provide drought insurance to rural households, allowing them to deal with the volatility that will inevitably come from climate change. There are climate models that predict increased rainfall variability in Africa’s Sahel, the part of the world containing Chad and Niger, where average incomes are less than $1 a day and where people just do not have the financial resources to deal with climate shocks.

Australia has traditionally played a role in liberalising barriers to agricultural trade. It was the Hawke government that set up the Cairns Group of agricultural free-trading nations in 1986, bringing together developed and developing country agricultural exporters in order to bring down the tariffs that stood in the way of agricultural products. There is an international deal to be done in which the United States abolishes its ethanol subsidies and the European Union takes a more science based approach to genetically modified foodstuffs. Those two changes would bring enormous benefits to developing countries which are agricultural exporters.

The member for Wakefield detailed well why Australia has chosen at this point to re-engage with the International Fund for Agricultural Development. We understand that Australia’s withdrawal from the fund in 2004 was based on the sense that IFAD was not delivering cost-effective and tangible returns and that it did not have a clear mandate or role. But our view is that IFAD has improved and that there is a strong business case for Australia to rejoin IFAD. Another important reason is that it is to our comparative advantage to do so. If Australia is to be a country that focuses our aid program on the things we do better than other donors then we ought to be involved more in resource management, more in fragile states and more in dryland farming. So it makes sense to re-engage with IFAD.

In closing, I encourage AusAID officials in their dealings with IFAD to urge it to carry out the most rigorous possible evaluations. The randomised trials revolution, which has swept the world of development economics, has its origins in agriculture. Randomised evaluations are known as 'field experiments' because it was in agriculture that they were first tried. Australian farmers since the 19th century have been setting aside two plots of similar soils, trying different seed varieties or a different fertiliser mix and seeing which performs better. But we can do that with our
policies too. We can do that with policies that help countries deal with drought assistance, with smarter ways of providing information to farmers and with more effective strategies for seed management. All of these things should be rigorously evaluated, because if we had all the answers to world development we would not have over a billion people in poverty today. I commend the bill to the House and commend Australia's re-engagement with an important organisation to boost us in taking our dryland farming expertise to the world.

Ms MARINO (Forrest—Opposition Whip) (21:19): Before I speak in depth about the International Fund for Agricultural Development Amendment Bill, I say that I was interested to hear the member for Fraser talking about Australia's farmers. I think it was the Labor government that shut down Land and Water Australia. Deputy Speaker Scott, you could probably help me with that. It was interesting to hear the member speak about Australian farmers; however, the government has repeatedly, in successive budgets, removed funding from the agriculture budget. Given that Australian farmers are leaders, they need to stay at the cutting edge. The government has not shown them respect through its budget decisions.

In speaking on this bill I acknowledge the contributions by the Deputy Leader of the Opposition, the member for Curtin, and by the member for Berowra. I will not seek to repeat all that was said by those members, but I acknowledge their historic experience in this area, particularly in the previous government, and the very reasoned approach that the member for Berowra took on this issue.

As both of those members have said before me, we will not be supporting this bill. The deputy leader outlined in very great detail that we are committed not only to enhanced food security in developing nations but also to the very great need for prudence and due diligence in committing Australia's foreign aid budget. What we are discussing here is not whether we engage in supporting international food security efforts; it is how that support is delivered most effectively and with the greatest amount of accountability and how we deliver Australia's aid. What is the appropriate use of Australian taxpayers' foreign aid funds, and will it actually make a difference on the ground? This is a question that IFAD needs to answer about the use of these Australian funds; is it actually making a difference on the ground? That is the sort of assurance, Mr Deputy Speaker Scott, that you and I are seeking in the allocation of Australia's foreign aid budget, particularly on food security.

We understand very well how important food security is. IFAD has failed to address the reasons for Australia's withdrawing from the fund in 2004, so more work is certainly needed there. We have heard that the decision to withdraw from the fund was supported, I think quite tellingly, by the then Deputy Director General of AusAID. He supported it; we know that the review of Australia's engagement with IFAD in 2011 was backed by the Deputy General's assessment. As recently as October 2012, AusAID officials could not assure committee members that IFAD had addressed all of the issues identified in 2004. We were in no better position to evaluate its expenditure, which included human resources and financial management. These are extremely critical issues when you are allocating $126 million of Australian taxpayers' funds. You would have thought that financial management and the effectiveness of the program would have been two critical areas to consider. You would have thought, too, that the government itself would have been concerned by the 2011 desktop analysis of
IFAD. It found that IFAD was benchmarked worse than its peers for some aspects of financial management and administration. They are the same issues of financial management and administration as before. I think Australian taxpayers would, rightly, be very concerned about both of these issues.

Issues about IFAD's high administration costs and the need to improve its project efficiency were also raised in a UK review. Why is the Australian government, which is responsible for directing these funds to IFAD, not concerned that, since Australia's withdrawal from IFAD, the number of allegations of fraud and corruption received by IFAD's Office of Audit and Oversight has increased from five in 2004 to 41 in 2011? I do not think it is an issue that we should be taking lightly. The Australian government should be treating this far more seriously than it is. We are not talking about a small amount of money; it is not a small amount of foreign aid. We are talking about $126.4 million of taxpayers' funds over four years. We heard the member for Curtin speaking about the fact that this is more than the United States, the United Kingdom, Canada and Germany are committing to this program.

The Joint Standing Committee on Foreign Affairs, Defence and Trade reviewed this issue, and the coalition members of this committee, in their dissenting report, noted AusAID's lack of awareness of the fraud and the corruption relating to IFAD. AusAID's lack of awareness should concern government and taxpayers in general. What bothers me is that the government, in presenting the bill, does not appear to be concerned about the fraud and corruption either. This raises some very serious questions for members on this side of the House. The coalition certainly understands the need for a well-managed international response to food security in developing countries. That is not the issue. As I said earlier, the issue is how we deliver Australia's aid, what the appropriate use of taxpayers' funds is and whether those funds will actually make a difference on the ground, where they are to be expended.

All of us in this place know that, when we were young, we were taught that the basics of life were essentially food, clothing and shelter. This probably seems a bit simplistic in today's world. I think if you spoke to a number of young people of the current generation they would probably consider their mobile phone and perhaps internet access and a range of other appliances to be their priorities. But much of the world, as we know, continues to be short of the very basics of life.

The funding mechanism for IFAD was a commitment of US$6 billion from the establishment of the fund in 1977 to this year. Nations from around the world have contributed payments in eight tranches, and $5.7 billion will be delivered in August this year. The next call, the ninth tranche of payments—referred to as the ninth replenishment—is an additional US$1 billion. I assume that the Australian contribution being requested through this bill will be part of that ninth replenishment. Mr Deputy Speaker, Australia, as you know, was a founding member of the International Fund for Agricultural Development in 1977 and it remained in the scheme until 2004, when very serious questions and issues were raised about the scheme's effectiveness. The coalition believes that hard-edged evaluation and accountability are still missing in the scheme but are definitely very essential. We do have a responsibility to taxpayers to ensure that the parliament makes the best use of Australia's foreign aid dollars.

We know that there are various reasons for food security challenges around the
world. In some countries, it can be a result of corruption; it can be a result of a lack of governance. In some cases, it is not an agricultural problem, but in other cases it is. In some instances, it is about drought and long-term issues with the local climate. However, often they are issues that are put in the too-hard basket. The primary requirement for food security in some countries is not necessarily oil or water but competent and open government; in others, it is a lack of sufficient natural resources to produce adequate food for their local population.

As I said at the outset, we are not arguing, certainly, about the need for enhanced foreign aid to deal with international food security issues in developing nations. What we are talking about is how this aid is delivered and whether, in effect, we are making the most appropriate use of taxpayers’ funds in our foreign aid budget.

Debate interrupted.

ADJOURNMENT
The SPEAKER (21:30): It being 9.30 pm, I propose the question:
That the House do now adjourn.

Black Saturday Remembrance Cruise
Mr TONY SMITH (Casey) (21:30): This Saturday just past, at four o’clock in the afternoon, some 600 owners of classic cars gathered with their cars in Lilydale to participate in the second annual classic car Remembrance Cruise to commemorate the anniversary of the Black Saturday fires. The drive is the inspiration of two people, Stacey and Troy Kinsmore, in memory of their close friend Kate Ansett and her partner, Steve Fisher, who died at Toolangi on Black Saturday. Last year, the first drive took place to raise awareness and to raise money for the local Healesville Country Fire Authority. The cars gathered at Lilydale Industrial Estate, at Stacey and Troy's business, before cruising to Healesville via Yarra Glen, Dixons Creek, Toolangi and Chum Creek.

The purpose was to reflect, remember and re dedicate to the memory of those who lost their lives. You could not drive on that drive, as I did, without reflecting as you drove through the winding roads through Toolangi and down to Healesville. Everyone who participated who paid a registration fee made a practical contribution to fundraising for the CFA. At the historic Healesville Railway Station many other families came and contributed, as well, as you would expect, to raffles and to donations to the CFA.

This is a step that Stacey and Troy Kinsmore wanted to take. The first cruise last year, on the third anniversary, was a very big step for them. In the period that followed the Black Saturday Fires they knew they wanted to do something to honour the memory of their friends, but it took some time and some healing before they settled on what it was they would do. This is now an institution that will take place every year. It will raise money every year and it will raise community awareness every year. As you know, Speaker, as a fellow member from Melbourne, it was more than 200 Saturdays ago, but of course it feels like last Saturday, even yesterday, for all those affected by the fires.

I had the privilege of helping Stacey and Troy just a little in the organisations. They deserve congratulations, and I wanted to mention them in the House, along with Wendy Bennett, who conducted the official proceedings. As I said, funds raised go to the local Healesville CFA and also to the Kate Ansett Bushfire Recovery Fund, which Stacey and Troy have established. This was a great local community event, a time to reflect and remember, and I wanted to congratulate them in this House for all they
have done and all I know they will do in the years ahead.

The SPEAKER: I thank the member. I, also, bizarrely, had a constituent who was lost in the fires, and I think we also reflect on that sad time today.

Australian Public Service

Ms BRODTMANN (Canberra) (21:34):
The electorate of Canberra is under threat. The security and stability of Canberra's south side is under threat from the prospect of another severe economic downturn should the Liberals win government and implement their plan of slashing 20,000 Public Service jobs. Having lived through the last Liberal slash and burn, I fear that Canberra will once again experience an economic slump, an increase in unemployment, a massive rise in bankruptcies and a sharp drop in house prices. I remember well what happened when the Liberals were last in office. I remember well 1996. Then, 15,000 permanent public servants lost their jobs in the ACT. What we are seeing in Queensland, Victoria and New South Wales is very reminiscent of that time.

The conservatives of today have a complete disdain for the Public Service. They do not appreciate that public service should be lauded, not derided, that public servants are valuable and valued people who keep Australia defended, safe, healthy, working and educated. But this disdain of the Public Service has not always been the hallmark of conservatives—quite the contrary. In fact, conservative icons like Robert Menzies in many ways built this city, this nation's capital, as the proud centre of Australian government and public servants. In our centenary we will celebrate the fact that Robert Menzies was a friend to Canberra, a champion of a centralised Public Service located here in the nation's capital.

This is a very sharp contrast to the current crop of conservatives, who use Canberra and the Public Service as their whipping horses. They also fail to understand that cuts to the Public Service in Canberra impact on small business, not just here in the ACT but in the region. The Liberals do not understand that when they cut public sector jobs in Canberra it is our businesses, our volunteer organisations, our community groups and the local shops that suffer. The last time they took the cleaver to the public sector, both business and non-business bankruptcies in the ACT jumped dramatically.

Non-business bankruptcies rose by 17 per cent in 1996-97 and business bankruptcies jumped by a frightening 38 per cent in the same period. Canberra: this is the future the Liberals want for you, a bleak future that will see the slashing of 20,000 public service jobs and the knock-on effect that has for businesses and the community. Many of these jobs will be here in my electorate of Canberra where families have mortgages, where children are enrolled in schools and where small businesses rely on a strong public sector to survive.

My constituents in Canberra's south side do not want to hope that they have a job, an income or a viable small business after 14 September. They want security and they want certainty. They want to know that their jobs are not at risk or that their house prices will not tumble. This is not a scare campaign, because I have seen it before. Like so many Canberrans, I also lost my job when John Howard was elected in 1996. I saw firsthand what happened in Canberra when John Howard came to power and sent our city into a downward spiral. I attended farewells that were conducted in bulk. I counselled many, many friends who lost their jobs and had to leave town to go and find work. For me, my posting was abolished in India. I came back after only a year there, and my husband had to do part-time work for a number of years afterwards. The effect was
not just for me in terms of my job loss but also for my husband at the time and for the businesses in Canberra. It has significant spiralling effects, significant ricocheting effects and a significant knock-on effect in so many ways, both personally and professionally, for businesses and for the region.

When those opposite talk about honesty and trust, they should start by being honest and revealing the details of how many jobs will be slashed in the electorate of Canberra and where these jobs will come from. I think the workers and the families of Canberra’s south side deserve to know what the future holds for them under the Liberals should they win government. Under Labor, they have security and economic growth and investment in infrastructure for the future, like the $288 million for Majura Parkway— the sod turning on that was on today.

Under the Liberals, the future will be job cuts, an economic slump, empty offices and empty shops here and around the region, where the only growth industry will be removalists. This does not instil me with any semblance of hope, just fear for the people and future of Canberra and the region. (Time expired)

**Macedonia**

Mr SIMPKINS (Cowan) (21:39): When I visited the Republic of Macedonia and also Albania to seek a better understanding of the issues of concern to my Macedonian constituents I was particularly seeking an understanding of the way different ethnic groups and religions interact in those nations and what parallels or issues exist in Australia because of the background in those nations. Whilst I learnt a lot from my second visit to Macedonia, it did leave me concerned about the future of the Republic of Macedonia and ethnic Macedonians in Albania. In Macedonia, along the road between Skopje and Ohrid, there are many ethnic Albanian villages. Despite being in Macedonia, in those villages I saw nothing but Albanian flags and no Macedonian flags. This is in contravention of the law, which allows the Albanian flag as an ethnic symbol but requires the display of a larger Macedonian flag adjacent to it on public buildings. That law also states that the ethnic flag can be only two-thirds the size of the national flag. I observed that compliance with the law was not evident for 30 kilometres in and around the municipality of Zajas. It is my view that the display of another nation’s flag in such numbers and to the exclusion of the national flag was not only highly provocative but also disloyal. I believe that by these actions they show a lack of respect for the Republic of Macedonia and suggest that some seek a future seeding of territory for a greater Albania.

The Republic of Macedonia is a wonderful example of tolerance and of respect of the rights and full participation of minorities, which is completely enshrined in the constitution. However, in my opinion, many in the Albanian community abuse that tolerance. This is a challenge for the parliament of the Republic of Macedonia.

In the visit to Albania, I met the mayor of Pustec and representatives of the significant Macedonian community from across Albania. Owing to a number of governance and process inadequacies in the most recent Albanian census, the ethnic Macedonian population is numbered at only 5,000 when, in reality, those of Macedonian origins number in excess of 100,000. The numbers are repressed because it is widely believed that, if people declare themselves as Macedonians, only negative outcomes will result. The recent census had some 18 per cent of people not declare ethnicity because they believed a 1,000 euro fine could result. It is also true that only in the Prespa region
of Albania are you allowed to even say that you are Macedonian. Everyone at birth is stated as being of Albanian ethnicity and active steps must be taken to change that. But, again, only in the Prespa region can you dare to legally change a birth certificate to state you are ethnically Macedonian.

There are around 39 villages across Albania that are ethnically Macedonian. There are also large numbers of ethnic Macedonians in the cities. The mayor of Pustec said that they are faithful to their nation, Albania, but that they are also given only a fraction of the money that Albanian municipalities are given. It is worth noting that I saw an Albanian flag flying in the ethnically Macedonian village of Pustec alongside a Macedonian ethnic flag—being the star flag of old Macedonia—but not the flag of the Republic of Macedonia.

As Albania approaches national elections in mid-2013, the signs are ominous. The agenda of the major Albanian parties is being driven to the extreme right with the emergence of the ultra-nationalist Red and Black Alliance. Minorities, such as the Macedonians, are being targeted for domestic political reasons. I believe that the European Union must closely monitor the situation to safeguard the rights and safety of Macedonians and other minorities. I wrote to the EU about my concerns last month. In the letter, I included information on a situation that occurred in recent months, whereby the Red and Black Alliance—accompanied by a significant number of biased media—staged a protest and intimidated those living in the village of Pustec. They told me that they no longer feel safe as a result. It appeared to me that the Albanian government seeks to assimilate them or to drive them out of the country.

From the visit it was clear that the Republic of Macedonia does stand as a great example of how tolerance and the constitutional recognition of minorities can deliver rights and participation. This is in stark contrast to the repression that Albania provides or that is present even in Greece, where minorities are not recognised at all. My concerns remain that, while the Republic of Macedonia may be much more advanced than its neighbours, they should be careful that their tolerance and acceptance is not taken advantage of, as the future of their nation could well be at stake. While Albania pays lip service to European laws that should ensure the safety, security and equity of ethnic minorities, the reality is actually so different.

**Clean Technology Food and Foundries Investment Program: The Pastry Lounge**

Mr SYMON (Deakin) (21:44): Last Friday, 1 February, I visited a local business called the Pastry Lounge, in the suburb of Mitcham, which is part of my electorate of Deakin and is the suburb where my electorate office is. Accompanying me was the now former Parliamentary Secretary for Climate Change and Energy Efficiency, the Hon. Mark Dreyfus QC, who has of course since been promoted to the position of Attorney-General, in which I am sure he will excel.

The Pastry Lounge has received a grant of $56,200 from the Clean Technology Food and Foundries Investment Program to install a 54-kilowatt solar photovoltaic system. If you think about the size of that and you know a little bit about solar PV, you might say that is rather large, because a usual household system is around 1.5 kilowatts. So
it is a large number of panels. But fortunately the Pastry Lounge is now a large and growing business, so it has plenty of space for it. The company is matching the grant of $56,200 with its own money, for a total investment of just over $122,000. When complete, the solar installation will reduce the Pastry Lounge's electricity bills by around $22,000 per year and, importantly, it will also reduce the site's carbon emissions intensity by around 35 per cent. The site has a large freezing capacity as part of what the company does there, and it is growing and has continued to grow for many years, so I am sure the savings will continue and be a very significant part of the business for a long time to come. In under three years, the investment that the company has put in will have actually paid itself back and, even better, will have helped reduce Australia's carbon emissions in that time.

The parliamentary secretary and I met with the owner and director, Fiona Richardson, a local resident who has built the business from scratch, starting it in the kitchen of her own house back in 2001. Her operation has now grown to occupy a 450-square-metre purpose-built commercial kitchen. The Pastry Lounge is a wholesale supplier of boutique finger food which supplies high-end caterers, events and corporate boardrooms in Melbourne, Sydney, Perth and Canberra with a great range of high-quality canapes and pastry based products. It produces a range of products such as pasties, gourmet pies, sausage rolls and tarts that are handmade and then blast frozen for delivery. After watching the cooking and the handmade production lines, I was fortunate enough to be offered a few samples by Fiona and her friendly staff, and I will definitely be looking for their products at my local weekend farmers' market, as their products are quite simply delicious. The Pastry Lounge, branded as the Tart Box, also sells retail product at 18 farmers' markets across Melbourne every month and is an accredited member of the Victorian Farmers' Markets Association. As many people who live in Melbourne know, a local farmers' market is always a great place to pick up some real fresh produce and purchase some great-tasting delicacies and treats.

The Pastry Lounge now employs around 20 local people and promotes family-friendly hours and flexible employment arrangements that are designed to help parents with children who are at school. As many of us in this place would know, a lot of our constituents struggle with the balance of work, life and family, and it can be particularly hard for a family that has one or two wage earners to find hours that fit around the times that we need to get children from place to place. So a business like that in my local area that is family friendly is a really great example, and I hope that we see many more of those in the future. A business like that is particularly attractive for women seeking to re-enter the workforce after having children, and as a result the business has a very low turnover of staff. As I said when I went there, I could see why—simply because they changed hours to suit what the people that worked there needed, and the hours were not necessarily set.

AusIndustry helped organise the grant application and will be involved in the management of the project. The $200 million Clean Technology Food and Foundries Investment Program runs through to 2016-17, alongside the $800 million Clean Technology Investment Program. Both are part of the $1.2 billion Clean Technology Program, which is an initiative under the Gillard Labor government's clean energy future plan. Businesses can apply for funds for projects that will maintain or improve the competitiveness of their operations. I would
encourage any local business in Deakin to contact AusIndustry, on 132846, to find out how they too can benefit from the Clean Technology and Foundries Investment Program.

**Juniper, Mr Robert**

**MRS MOYLAN (Pearce)** (21:49): On 7 January 1929, Robert Juniper was born in the Western Australian wheat belt town of Merredin. It was a childhood deeply connected to the Australian landscape, as Robert's father worked on the pipeline project and the family lived on the track. It was a childhood spent closely observing the colours, patterns, flora and fauna of the natural environment. This Australian milieu undoubtedly had a significant influence on the important body of art Robert Juniper created during his 83 years. Sadly, Robert passed away at his home in the Perth Hills on 20 December 2012, cared for by his loving wife, Patricia, and surrounded by the natural landscape he so loved and which inspired much of his work.

The writer Gustave Flaubert once advised fellow author Guy de Maupassant:

> Even the slightest thing contains a little that is unknown. We must find it. To describe a blazing fire or a tree in a plain, we must remain before that fire or that tree until they no longer resemble for us any other tree or any other fire. That is the way to be original.

Robert Juniper found the 'little that is unknown' in art and created unique work which powerfully expressed images of the world he so keenly observed. Juniper's repertoire included sculpture and stained-glass work. Some of his lasting legacies are the 14 soaring stained-glass window walls and the design for a five-metre tapestry for the new St Patrick's Cathedral in Bunbury. These extraordinary works were completed for the consecration of the cathedral in 2011. It is a great tribute to Robert Juniper that he undertook this commission following a debilitating stroke. What shines through this and other images created by Juniper is his sense of humour and playfulness. If you look closely at the stained-glass windows, you will identify local fauna and flora and even a dog lying quietly in the corner in his depiction of the Last Supper.

The art of Robert Juniper will continue to delight and inspire as it can be found in all major Australian public collections. Robert received many honours including an Order of Australia and in 1998 he was recognised as a State Living Treasure.

I had the great privilege of interviewing Robert Juniper for a story I wrote in 1987, just before the America's Cup. He told me that he had always painted and that he had won a prize for his collage of a Dutch scene during kindergarten. Perhaps that is what spurred him on. He said to me, 'My mother wanted me to be an engineer or a surgeon, but she couldn't afford the university. Otherwise I might have been a frustrated doctor buying other people's art.' Well, thank goodness that Robert Juniper did take up art as a career because it has inspired and given great joy to so many people. It leaves us, as Australians, a lasting legacy of the wonderful landscape. He lived in that landscape, and that landscape lived in him and through him in the many wonderful works that he painted.

It is not just the art of Juniper that will live on. Robert was well known, as I said, for his great sense of humour and for his generosity to the community and for the many causes that he so generously donated to, including diabetes. Robert was an inspiration to many. He was generous in teaching others the art. He will be sadly missed, and I take this opportunity to extend my deepest sympathy to his wife, Patricia, his family and his many friends.
Cyclone Oswald

Ms Saffin (Page—Government Whip) (21:54): My seat of Page recently experienced the devastation of floods right across the five local government areas: Ballina, Lismore, Kyogle, Richmond Valley and Clarence Valley. All were declared natural disaster areas about six days ago by the Prime Minister and the New South Wales Premier. That meant that the Natural Disaster Relief and Recovery Arrangements, the joint Commonwealth-state assistance that is available, could flow. The floods were fast and furious, and huge winds came with them due to the impact of Cyclone Oswald. We caught the tail of the cyclone and it was fierce. Thank God, we had no loss of life, as sadly was suffered in Queensland where many communities are still traumatised from the 2011 floods. People in my seat of Page have expressed feelings of sorrow and sympathy to the families in Queensland. We in Page, in the Northern Rivers, also had the floods then.

There are many in my communities who have suffered, particularly in the Clarence Valley area. It was Grafton that made it into the national news, but there are many other smaller places that did not quite make it into the national news, although they suffered and they are still suffering. Some of those are Lower Kangaroo Creek, South Grafton, Coledale, Southgate, Brushgrove, Woodforde Island, Harwood, Palmers Island and Chatsworth Island. Last Friday, with Mayor Richie Williamson and the state member for Clarence, Chris Gulaptis, we went to Copmanhurst, one of the smaller places in the Clarence Valley that was really hard hit. The Governor-General also paid a visit that was welcomed by all. We went there and tried to help people as best we could. There is a recovery centre that has opened in Grafton which is working with the joint assistance to help people. There was a barbecue to say thank you to all of the people who helped. The Governor-General attended that with the SES, the police, the NSW emergency services, all the helpers and the Salvation Army. We met up with a local woman who had been in her car for a few days. She was very pregnant and had two young children and everybody, the Salvation Army in particular, helped her out. They also helped the residents in the Glenwood caravan park who also had to be moved out.

There were some smaller areas where the phones went out and where mobile phone reception does not work. Telstra really have to do better. They almost have a licence to monopolise this service and make money. They need to serve the community and make sure that it does not have to be a business case for mobile phone reception to work. We are rolling out NBN, which is wonderful, right across the country, but we still do not have mobile coverage in some areas, and that is up to Telstra to fix.

Farmers across all areas were hard hit as well. I will talk about the macadamia growers in the Northern Rivers who were severely hit. The macadamia industry in the Northern Rivers accounts for some 60 per cent of national production. That is about $70 million at the farm gate. There are about 600 growers, and about 70 per cent, that is about 420 growers, suffered loss. One of the things that happened with this flood and wind and the impact of Cyclone Oswald was that, for the first time ever, it shook the trees and shook the nuts off. The growers are about five or six weeks out of production. Those nuts that got shaken off onto the ground are useless and will have to be cleaned up. They are gone. The farmers need some help.

We are also working on category C, which is the joint assistance, and when that assessment is done the state then tell the
Commonwealth what they want to happen. That is what the state members and I are working through at the moment. One of the things that people have also asked for—and I have been pushing hard building the strongest possible case with the new Attorney-General, the honourable member for Isaacs, and also with the Treasurer and the Prime Minister’s office—is to activate the Australian Government Disaster Recovery Payment, or the AGDRP, for the Clarence Valley local government area. This is something that I am working through at the moment.

Brisbane Electorate: Infrastructure

Ms GAMBARO (Brisbane) (21:59): I rise tonight to speak about what is one of the most critical pieces of 21st century infrastructure to my constituents and to the greater Brisbane area, and that is the very badly needed upgrades to Kingsford Smith Drive. There was much excitement recently in response to the announcement from Brisbane Lord Mayor Graham Quirk that the badly needed upgrade of Kingsford Smith Drive could be brought forward following the receipt of an offer from the Queensland Investment Corporation to take control of the operations of the Legacy Way Tunnel and Go Between Bridge. Under the deal, the Brisbane City Council would hand over operational responsibilities and tolling rights for the tunnel and the Go Between Bridge to the Queensland Investment Corporation in exchange for upfront fees and probably a portion of the tolling revenue. Lord Mayor Graham Quirk explained the benefits of the deal: ‘Offloading the assets would save the council $650 million and enable it to bring forward the upgrade of the Kingsford Smith Drive, completing stage 2 before 2017 and beginning stage 3 shortly afterwards.’

The $10 million first stage of the upgrade was completed mid-2011, and the Brisbane City Council still needs $792 million to complete stages 2 and 3 and transform the road into a six-lane ‘tree-lined boulevard’ complete with a bicycle and a pedestrian path. As I understand it, this deal relies on a previous commitment by Minister Albanese to contribute $500 million of taxpayers’ money to the Legacy Way project, which he is starting to become vague about. So I would urge the minister to provide an assurance to the parliament about whether his previous commitment still stands.

The upgrade of Kingsford Smith Drive is a crucial piece of infrastructure for Brisbane. It is a vital arterial connection not just for Brisbane but for Queensland and the nation in terms of trade, freight movements and commuter transit. It is a project of national significance and, as the long-suffering residents of the Brisbane inner north well know, it is well overdue. Kingsford Smith Drive provides direct access to residential and industrial lands along the north bank of the Brisbane River for residents, customers and employees. It also provides secondary access to the airport now that Airport Link through the northern suburbs is completed. And, most importantly to the residents of Ascot, Hamilton, Clayfield and Albion in my electorate, it is a route that many parents use to drive their kids to school and it is the route that many workers use to go to work either in the city or in the suburbs or out to the airport or the trade coast.

Unfortunately, it resembles a car park for most of the day. Add to these pressures the further high-density residential development of the Northshore Hamilton development, and the urgent need for these upgrades becomes even more obvious. In the next 20 years, Northshore Hamilton will provide for approximately 15,500 residents, and commercial and retail development will provide 24,000 jobs. You would expect that the vast majority of these residents and
workers will rely heavily on Kingsford Smith Drive for their daily commute. Yet this project is not on the Infrastructure Australia priority list for the state of Queensland, even though the Brisbane City Council and Newman government both support it.

I am passionate about these upgrades. They simply must happen to ensure that we do not have that bottleneck choking the connection between the Brisbane CBD, the Gateway Motorway, Brisbane's domestic and international air terminals and the port of Brisbane, which is greatly hampering productivity and growth. I call on all three levels of government to work together to ensure that a cost-benefit analysis is complete and that all the costing requirements are met so that this project can be put on the Infrastructure Australia priority list. I will continue to lobby my federal colleagues for an extension of the commitment already made by Tony Abbott to the upgrade of the Gateway Motorway, and I will continue to work every single day in this House to push for the needs of the residents in the local area and the northern regions of Brisbane and to make sure that this very important and extremely vital project is built and that Infrastructure Australia has this project on its radar.

Asylum Seekers: Sri Lanka

Ms ROWLAND (Greenway) (22:04): Yesterday the shadow minister for immigration and shadow minister for foreign affairs stated the coalition's policy on blocking Sri Lankan asylum seeker boats from Australian waters without first testing any refugee claims. In making this announcement the opposition has made two extremely dangerous and irresponsible conclusions: (1) that there are no legitimate reasons for any person from a specific country, namely Sri Lanka, to seek asylum, and (2) that the Australian Navy will be able to turn leaky boats around on the high seas outside of our territorial waters without consideration of an individual's need for protection.

This is despite the fact that, according to a range of legal specialists, including the Human Rights Law Centre, such a policy:

- would expose at least some asylum seekers to a real risk of torture, persecution or other flagrant human rights violations and therefore violate Australia's non-refoulement obligations under international law;
- would be incompatible with the Convention on the Elimination of Racial Discrimination and Australia's own Racial Discrimination Act;
- is not supported by credible evidence which shows that arbitrary arrests, detention, disappearances and even torture and extrajudicial killings remain widespread in Sri Lanka; and
- is not supported by the rate at which asylum seekers from Sri Lanka are currently accepted to have valid refugee claims by Australia.

I represent a large Tamil community in this place. In fact, 8.4 per cent of all Tamil speakers in Australia live in my electorate. A number of my constituents have contacted me, expressing their deep concern over the statements made by the shadow foreign minister and the shadow immigration minister that the situation in Sri Lanka is stable for all people and that all Tamils are no longer in any danger in their homeland.

We must understand that there has been an ethnic conflict going on in Sri Lanka since the 1950s. The extremely violent and devastating civil war only officially concluded in 2009, and reports of disappearances and politically motivated assaults have not stopped. My constituents have told me how dangerous it can be for Tamils in Sri Lanka, and human rights groups and the United States and UK governments have also expressed concern...
over the situation for Tamil people in Sri Lanka.

In fact, a three-member US delegation was in Sri Lanka last week to discuss issues, including progress in implementing the recommendation of Sri Lanka’s own official investigation into the war which called for the prosecution of persons on all sides of the conflict suspected of killing civilians. But, according to reports, the delegation appeared dissatisfied enough to announce that it would repeat its action of last March, when it sponsored a resolution at the UNHCR urging Colombo to implement those recommendations. Deputy Assistant Secretary of State James Moore told reporters in Colombo that the US had decided to sponsor a procedural resolution against Sri Lanka at the March 2013 sessions of the UNHCR.

Another concerning development occurred only recently when the nation’s chief justice was summarily dismissed, despite protests by lawyers, human rights groups and clergy members. But, despite this, after their trip, the coalition have effectively declared that there are no legitimate reasons for any Sri Lankan to seek asylum. While I do acknowledge that there is a proportion of Sri Lankans seeking asylum who are doing so purely for economic reasons, I would like to acknowledge the work of the member for McMahon in his former capacity as the Minister for Immigration and Citizenship. He took some tough decisions to curb the number of economic refugees coming to Australia from Sri Lanka. I do not know how anyone can put a blanket ban on all people from one country seeking asylum without even considering their claims.

The second aspect of this approach to Sri Lankan asylum seekers concerns the operational reality of turning boats around on the high seas. According to the UN High Commissioner for Refugees, any such blanket approach, as past experience has shown, is operationally difficult and dangerous for all concerned. The shadow minister had a lot to say last year about the High Court challenge to Sri Lankan removals. How does he think turning people around to Sri Lanka in international waters will go down in the High Court? How does he think it is in line with the refugee convention?

In closing, I do not want to see people paying people smugglers and boarding boats and making the dangerous journey to Australia. In fact, this is a concern I regularly hear from many Tamil members in my electorate—particularly those who have relatives languishing in refugee camps, including in India. But for the coalition to try and paint a picture of Sri Lanka that differs quite dramatically from the one conveyed by human rights groups, the United States and United Kingdom delegations and members of my own electorate, in order to legitimise a policy position that many have said is illegal under the refugee convention is, to put it mildly, disingenuous in the extreme. I have discussed this issue with the Minister for Foreign Affairs, and I note his commitment to engaging with Sri Lanka in order to further progress the reconciliation process in the country. I will continue to advocate on this very important issue.

**Environment**

Mr SECKER (Barker—Opposition Whip) (22:09): It is very sad to see a Prime Minister leading a chaotic, divided and dysfunctional government, as has been shown quite clearly by the fact that she complained to her party caucus about leaking, only to have that leaked. This is just unbelievable. We certainly did not have that during the Howard government’s times.
Certainly the coalition stands ready to provide strong and stable government. The coalition will be the strong alternative government that Australia needs after this period of broken promises and incompetence. Australians have been let down by the current government for too long, and it is now up to the coalition to restore hope and confidence in government. So today I will be talking about the coalition's positive plan for a cleaner environment.

We are committed to addressing climate change and reducing emissions by five per cent by 2020. Our target can be achieved by positive direct action and providing incentives, rather than hurting Australian families and our economy with a damaging carbon tax. The carbon tax will be scrapped and replaced with our Direct Action Plan. This includes cleaning up Australia's dirtiest power stations; investing in soil carbon to replenish the land; providing direct incentives for business and industry to reduce their emissions; planting an additional 20 million urban trees; easing the cost-of-living pressures on low-income families by providing support for one million solar roofs; and investing in solar and other renewable energy.

Then there is the Green Army initiative, which will deliver real benefits to local communities across Australia and in my electorate of Barker. The 15,000-strong Green Army will be engaged in conservation projects—things like mangrove planting, riverbed and creek revegetation, construction of boardwalks and walking tracks to protect local wildlife, and the revegetation and regeneration of local parks. In addition to the Green Army, a coalition government will return Landcare to the centre of our community environment programs. This is about cutting red tape and returning more of the funding directly to those grassroots community groups so they can actually get on with their work.

The coalition will also offer state and territory government the ability to act as a one-stop shop for environmental approvals. This would include the creation of a single approvals process for all environmental approvals under the Environment Protection and Biodiversity Conservation Act—an act of the Howard government—via the state system, as part of long-term agreements with each state and territory.

Our clean water policy includes a commitment to a sustainable outcome for the Murray-Darling Basin and delivering on the 10-point plan for the Murray-Darling announced by the former coalition government in January 2007. The coalition will not support a bad plan for the Murray-Darling. We have a positive plan to maintain jobs in basin communities, keep the price of fresh food down and restore our environment.

Our alternative water policy also includes investing in new and upgraded dams. Australia has been let down by a failure to plan for Australia's long-term water needs. State Labor governments have made poor investment decisions, deciding to pour billions of dollars into desalination plants which have contributed to the 60 per cent rise in water prices since Labor came to power.

There is a long list of Labor's climate change bungles. There is the carbon tax broken promise; the disastrous pink batt Home Insulation Program, with four deaths and hundreds of homes catching fire; Green Loans; the citizens' assembly broken promise; the scrapped Solar Homes and Communities Plan; the Solar Flagships program botched tender process; cash for clunkers; the Green Car Innovation Fund; the scrapped low-emission plan for renters; the
scrapped solar hot water rebate; clean technology grants that do not add up; the Connecting Renewables initiative, a failure; the squandered renewable energy fund; the tens of millions of dollars wasted on global carbon capture; the scrapped green buildings tax breaks; phantom credits; carbon tax advertising, and Green Star, which left—  
(Time expired)

Renewable Energy

Mr MURPHY (Reid) (22:14): Members may recall the movie Groundhog Day, in which Bill Murray finds himself in a time loop, interminably waking up at 6 am on 2 February, no matter what he did the previous day to change his circumstances. As I watch the endless repeats of the opposition's tactics, I wonder if they are trapped in their own version of Groundhog Day. All we ever hear is an unending repetition of the same complaints, the same misleading statements and the same failure to understand that the Australian people have moved on from the Howard era.

Of all the changes that have occurred in the world in recent years, the huge and accelerating shift from fossil fuels to renewable energy as a means of reducing carbon dioxide emissions is amongst the most significant. Yet, if you listen to the opposition and their friends in state governments, this major shift is of no consequence and should even be wound back—because, if you believe the Leader of the Opposition, there is no firm evidence of global warming.

The rest of the world thinks otherwise. Recent figures for growth in renewable energy from the United States Energy Information Administration show that renewable energy output grew by 14.4 per cent from 2010 to 2011 and provided 12.7 per cent of net US electricity generation, an increase of 24.7 per cent over 2009, while electricity from coal declined by 4.2 per cent. Compared with the first three quarters of 2010, solar power in the United States expanded in 2011 by 46.5 per cent and wind power by 27.1 per cent. The international and domestic markets for polluting fossil fuels will decline, just as the market for renewable energy technologies, such as photovoltaic and solar thermal generators— areas in which Australian researchers lead— will continue to grow.

Similar figures apply in Australia, despite the actions of the backward-looking governments of Queensland, where solar energy plants have had their funding cut, and of New South Wales and Victoria, where, at the behest of the fossil fuel industry, obstructions have been placed in the way of wind power capacity. According to the Bureau of Resources and Energy Economics, the consumption of renewable energy, excluding biomass, recorded a growth of 21 per cent in Australia in 2010-2011. Part of that increase is from wind power, the output of which has grown by about 30 per cent each year over the last decade. Wind generated power now accounts for one-fifth of South Australia's electricity consumption and is growing.

The Australian Energy Market Operator, the AEMO, which manages Australia's electricity supply, recently investigated the feasibility of meeting, by either 2030 or 2050, 100 per cent of the demand for electricity from renewables. The AEMO found that the current national market for electricity is around 200 million megawatt hours and that, even with conservative assumptions, such as excluding national parks and following local planning laws, Australia can generate around 500 times that amount using renewable energy sources available in eastern and south-eastern Australia. Andrew Want, chair of the Australian Solar Thermal Energy
Association, said that the AEMO report reinforces other studies, such as the 2010 *Australian energy resource assessment*, produced by Geoscience Australia and the Australian Bureau of Agricultural and Resource Economics, which found that Australia's annual incoming solar energy is equivalent to 10,000 times the nation's energy consumption. The Energy Research Institute at the University of Melbourne has found that we can replace the nation's fossil-fuelled energy system using existing commercially viable renewable energy technology within 10 years.

As the member for Wentworth has said: I believe our long-term global goal is to very substantially reduce our emissions, a goal that will require almost all of our stationary energy to be produced from zero or near-zero emission sources. Unfortunately, there is no evidence that the present leadership of the opposition understands either the urgency of the problem of carbon dioxide emissions or that it is possible to do anything effective about it.

**Dickson Electorate: Australia Day**

Mr DUTTON (Dickson) (22:19): Each year Australia Day celebrations continue to grow, and it is great to witness the rising patriotism from all areas of our community. Australia Day is a day to celebrate the opportunities available to each and every one of us who is lucky enough to live in this great country. It is a great privilege for us to live in Australia, but we also have a great responsibility to uphold our values and build upon the community spirit which makes this country so unique. Australia Day provides us with the chance to reveal to others our great country and the legacies we proudly uphold.

It was my pleasure once again to act as the presiding officer at the Samford Rotary Club's Australia Day citizenship ceremony this year. This role allowed me the opportunity to welcome a number of new Australian citizens, from a variety of countries, to the Dickson community. They included Mr Shane and Mrs Lisa Archer and their children, Emma, Max and Zane; Mr David and Mrs Kim Davies and their children, Graham, Craig and Mark; Mr Kimmo and Ms Caroline Hietala and their children, Michael and Daniel; Mr Mark and Mrs Shauna Whitby; and Mr Radford Miramon. The ceremony allowed everyone present to recognise our common bond and unique diversity. Whether we are Australian citizens by birth or by choice, Australia Day brings all of us together and helps to mark the end to the citizen's migrant journey and the beginning of their new life as an Australian.

Although the inclement weather meant a move of venue from the Samford Historical Museum, the wonderful volunteers carried on and catered, in true Australian style, with damper and pikelets. I particularly thank Geoff Harris, Margaret Hickey, Bev Campbell, Val Riley, Janelle Grey, Joyce Sanderson, Sue Rosso, Hazel Perry and Robyn Currell for all of the work they put into making the day so successful. Their community spirit and involvement is a true example of how Australians selflessly give up their time for others.

As well as the citizenship ceremony, I also presented the Dickson Community Awards. Each year, the Dickson Community Awards recognise those special people in our community who, through academic and sporting achievements or through volunteer work above and beyond their normal activities, have made Dickson a better place. Dickson is home to a number of inspirational and hard-working people and, with so many quality nominations over the past twelve months, we decided on 14 award recipients. Each recipient has made widespread
contributions and achieved outstanding results in their specific fields.

I take this opportunity to congratulate: Keith and Fay Madden on receiving a Dickson Volunteer Award; Harry Thomson on receiving a Dickson Volunteer Award; Rodger Parker on receiving a Dickson Community Award; Martin Edge on receiving a Dickson Community Award for the Arts; Isabella Gemmell-Morgan on receiving a Dickson Community Award for the Arts; Trent Grimsey for receiving a Dickson Award for Sport; Eloise Amberger for receiving a Dickson Award for Sport; Matthew Stark for receiving the Dickson Young Achievers Award; Dr Laura Bray for receiving the Dickson Award for Academic Achievement; the Petrie SES for receiving the Dickson Volunteer Group of the Year Award; and Marissa Lemmer for receiving the Dickson Student of the Year Award.

Notably, I also presented the Dickson Young Citizen of the Year and Citizen of the Year awards. Paralympian Brenden Hall is the Dickson Young Citizen of the Year. Brenden is a true inspiration not only to other young athletes but also to all Australians. He has overcome life-changing circumstances to become the courageous and successful athlete he is today. I look forward to hearing of his future achievements and I congratulate his family, who I know have given him incredible support, particularly through his years of schooling at Pine Rivers High School. I know that the whole Pine Rivers High School community is incredibly proud of Brenden's continuing achievements.

The Dickson Citizen of the Year was Tamara Nowitzki. Tamara has conquered a number of challenges throughout her life and they in turn have shaped her into an inspiring woman who will continue to fight the stigmatisation against mental illness and disabilities in our community. I encourage everyone to read her autobiography, *No Ordinary Girl*, for an insight into living with mental health disorders and physical disability.

With new citizens and inspirational residents in Dickson, we were able to celebrate Australia Day and what really is a land of opportunity. In closing, I particularly thank the Rotary Club of Samford and their fine president, Mr Warren Hampton, and Mr Ian Spiller, Mr Peter Gloor and the many other Rotary volunteers who assisted on the day—as they do on every day of every year.

**Bonacina, Mrs Giulia**

**Hamilton, Mr David**

**Steinke, Mr John**

**Ms BIRD** (Cunningham—Parliamentary Secretary for Higher Education and Skills) (22:24): It is my sad duty to say that over past weeks the Illawarra has lost three outstanding community leaders. It is with great pride that I outline to the House their achievements over their lifetimes, and I do so on behalf of everyone in the Illawarra.

Giulia Bonacina was a wonderful lady. She passed away at 92, having led a very full life. She was a tireless worker for the Wollongong community. Both Giulia and her husband Efrem, who is also deceased, devoted much of their lives to helping the migrant community in Wollongong. They were migrants themselves; the couple and their three children arrived in Australia in 1961 and settled in Wollongong when Efrem got a job at the BHP steelworks. They went on to establish a very important organisation, the Italian social welfare group known locally as ItSoWel, and served on its board for many years. That group continues to this day to be a very active and important community organisation in our region, fostering many important activities and providing support to a lot of people,
particularly the ageing Italian community in my region. It is a great tribute to Giulia and Efram that that organisation was so well established that it persists and indeed grows with each generation.

Mrs Bonacina also helped to establish the University of Wollongong's Friends of the University and became a fellow of the university in 1990. She remained an active member of the university, regularly participating in university graduation ceremonies—I often saw her at graduations and university events—and she was a keen supporter of medical research being undertaken at the university.

In her life Mrs Bonacina received many awards, including the Silver Jubilee Medal in 1977 and the British Empire Medal in 1980, and in 1987 she was honoured by the Italian government. She was a torchbearer for the 2000 Olympics, and in March last year she received the United Nations Older Person Award for Wollongong. She was a remarkable woman who engaged with her community selflessly. She was bright, energetic and interesting and she greeted you with a smile on every occasion. I will certainly miss that, as many of us in the community will. My condolences go to her family: Marzia Bonacina Zochil, Urio Bonacina, Kimo Bonacina, Dante Bonacina, who is sadly deceased, and her 11 grandchildren, 14 great-grandchildren and two great-great-granddaughters.

We also lost Mr David Hamilton. David is a former Shellharbour mayor and a close friend, and he passed away at the age of 67 after battling leukaemia for several months. Friends and colleagues remembered him as a staunch Labor man and passionate trade unionist. Dave was born in Scotland and spent several years living in the Illawarra before permanently migrating in 1980. He worked as a machine operator at the Port Kembla steelworks for 20 years and this sparked his interest in unionism. He quickly became a passionate local union official, later taking on a state secretarial role.

In the early nineties Dave tried his hand at local government, and he was elected to Shellharbour City Council in 1991. He spent nearly 10 years on the council, serving as deputy mayor from 1996 to 1999, before being elected as mayor in 2004. I had the pleasure of working with Dave when I also served on Shellharbour council. It is a real tribute to what a genuine person Dave was that representatives of the staff who worked in the mayor's office during his time at the helm asked to make their own tribute to him at his funeral. When staff do that it is a reflection of the quality of the person. One of his daughters described her father as 'simply the best. Any time we needed or wanted anything, he was there.' Many, many people in the community would echo that sentiment.

Many of us will miss Dave's energy, commitment and sense of humour. I extend my condolences to Moira, to Dave's children and grandchildren and to his extended family.

Finally, I acknowledge Professor John Steinke, who is also lost to the Illawarra community. He was a retired economist and academic, and his loss was a cause for much sorrow. He made his mark on the educational, economic and social fabric of the community. When he arrived in Wollongong, he devoted his life to the University of Wollongong. He clocked up many achievements during his time at the university, but two major ones stand out. He played a major role in the amalgamation between Wollongong's teachers institution and the university and he was instrumental in attracting the first overseas student to the university. Indeed, he played an important role in the initial push for international
students to come to the university. He served the wider community through his work with regional development committees, which he served for 15 years, and undertook many voluntary research projects. He was a generous, intelligent and motivating man who will be sadley missed by all of us, especially his children, Aden, Eve and Nicole. (Time expired)

House adjourned at 22:30

NOTICES

The following notices were given:

Mr Albanese to present a Bill for an Act to amend the Marine Safety (Domestic Commercial Vessel) National Law Act 2012, and for related purposes.

Mr A. S. Burke to present a Bill for an Act to repeal the Koongarra Project Area Act 1981, and for related purposes.

Mr Clare to present a Bill for an Act to amend the law relating to customs, and for related purposes.

Ms Rishworth to move:

That this House:

(1) acknowledges the important work done by Mr David Gonski AC in conducting the first review into school funding and school education in almost 40 years;
(2) recognises the transformative power of education and the importance of ensuring that we have a school system that provides all Australian children with a real chance to reach their full potential;
(3) supports the principles emerging from this review which have been incorporated into the Government’s National Plan for School Improvement, including the need to deliver;
   (a) a fairer school funding system based on the needs of every student in every classroom;
   (b) more support for schools and students who need it most;
   (c) quality teaching in every classroom;
   (d) more power in the hands of school principals; and
   (e) more information about school performance for parents and the community; and
(4) recognises that the National Plan for School Improvement will build on the reforms the Government has already delivered to ensure every Australian school is a great school, including:
   (a) the construction of new and upgraded facilities at around 9500 schools;
   (b) delivering record funding to support students with disability; and
   (c) working with States and Territories to deliver a national curriculum.

Ms Hall to move:

That this House:

(1) acknowledges that the Government has a positive reform agenda for older Australians and is delivering enormous commitment and investment in aged care and promoting positive aged care issues by:
   (a) increasing the aged pension;
   (b) reforming the aged care system; and
   (c) helping older Australians stay at work longer; and
(2) calls on all Members to support the reforms and guarantee support for older Australians.

Mr Bandt to move:

That this House acknowledges that the current level of Newstart is too low.

Ms O’Neill to move:

That this House:

(1) acknowledges the inequity that exists within our communities in the provision of services to people with disability;
(2) notes the high level of community engagement with the Every Australian Counts campaign for the National Disability Insurance Scheme (NDIS) and the DisabiliTEA events held around the nation;
(3) supports the Government’s focus on improving the standard of living for people with disability and their families through the introduction of a NDIS;
(4) commends the Government for introducing the draft legislation that sets out a framework for the NDIS; and
(5) notes that the first stage rollout will benefit more than 20,000 people with disability, their families and carers in the Hunter in NSW, the Barwon area of Victoria, and South Australia, Tasmania, and the ACT.

Mr Neumann to move:
That this House:
(1) recognises that:
   (a) tobacco is still the single most preventable cause of death and disease in Australia;
   (b) there was over 19,000 tobacco related deaths in 2012 in Australia; and
   (c) the social cost of smoking is as high as $31 billion a year in Australia;
(2) notes that mandatory plain packaging of tobacco took effect in Australia on 1 December 2012; and
(3) calls on all Members, Senators, candidates and political parties to stop accepting donations from tobacco companies.

Mr Katter to present a Bill for an Act to impose a moratorium on aquifer drilling connected with coal seam gas extraction, and for related purposes.

Mr Katter to present a Bill for an Act to provide for Australian ownership and operation in relation to certain air services, and for related purposes.

Mr Katter to present a Bill for an Act to amend the *Fair Work Act 2009*, and for related purposes.

Mr Katter to present a Bill for an Act to enable dairy farmers to obtain a fair price from processors for drinking milk, and for related purposes.
QUESTIONs IN WRITING
Local Government Superannuation Scheme Pty Ltd
(Question No. 359)

Mr Fletcher asked the Assistant Treasurer, in writing, on 11 May 2011:

In respect of the activities of the Australian Prudential Regulation Authority (APRA), has APRA undertaken any reviews or investigations from 2007 onwards into the investment operations of the Local Government Superannuation Scheme Pty Ltd (LGSS) (ABN 68078003497), including the purchase by the LGSS of securities known as 'Rembrandt' notes; if so, (a) what is the nature of the reviews or investigations, (b) what powers was APRA exercising in undertaking the reviews or investigations, (c) what were the findings and the outcome of the reviews or investigations, (d) were any adverse findings made against actions of the LGSS, and (e) has any follow-up action been taken by APRA on the reviews or investigations.

Mr Shorten: The answer to the honourable member's question is as follows:

LGSS Pty Ltd (ABN 68078003497) is an APRA-regulated superannuation trustee. Pursuant to section 56 of the Australian Prudential Regulation Authority Act 1998, APRA is precluded from disclosing information disclosed or obtained under or for the purposes of a prudential framework law and relating to the affairs of a regulated entity, where the information is not already in the public domain.

Carbon Pricing
(Question No. 424)

Mr Fletcher asked the Assistant Treasurer, in writing, on 15 June 2011:

(1) Has the Australian Prudential Regulation Authority (APRA) assessed the likely impact of the Government's proposed carbon tax on Authorised Deposit-taking Institutions (ADIs), including loan delinquency levels, and whether ADIs would have adequate capital to cover increased delinquency levels; if so, what assessment was undertaken, and what was the outcome.

(2) Has APRA requested that ADIs examine the likely impact of the Government's proposed carbon tax on their loan books, and whether they would have adequate capital to cover increased delinquency levels; if so, what requests were made, and what was the outcome.

(3) What scope is there for APRA to increase the capital adequacy minimums imposed on ADIs to cover the potential increased risk of default from both the residential and commercial loan books arising from the proposed carbon tax.

Mr Shorten: The answer to the honourable member's question is as follows:

APRA has not specifically assessed the potential impact on ADIs of the carbon pricing mechanism nor has it requested ADIs to undertake their own assessments. APRA generally only assesses the impact of external influences on ADIs where, in APRA's view, there is likely to be a material adverse impact. Given that the carbon pricing mechanism has only been in place for a short period, it is premature to consider whether the carbon pricing mechanism will have a material impact on ADIs' asset quality.

Carbon Pricing
(Question No. 425)

Mr Fletcher asked the Assistant Treasurer, in writing, on 15 June 2011:

Has the Australian Prudential Regulation Authority (APRA) assessed the likely impact of the Government's proposed carbon tax on the superannuation industry, including superannuation invested
in shares in, and retirement funds exposed to, the energy, manufacturing and mining sectors; if so, what assessment was undertaken, and what was the outcome.

**Mr Shorten:** The answer to the honourable member's question is as follows:

APRA has not specifically assessed the potential impact on superannuation funds of the carbon pricing mechanism nor has it requested superannuation funds to undertake their own assessments. APRA generally only assesses the impact of external influences on superannuation funds where, in APRA’s view, there is likely to be a material adverse impact. Any potential impact on superannuation funds would be mitigated by the generally well-diversified nature of investment portfolios.

**Australian Stock Exchange: Compliance and Risk Management Practices**  
(Question No. 490)

**Mr Oakeshott** asked the Treasurer, in writing, on 16 August 2011:

1. Will the Government consider re-establishing the education fund that used to exist under ASX’s stewardship, and that also served to channel revenue from fines imposed for breaches of trading rules into improving compliance and risk management practices to prevent further breaches.
2. Is he aware that the education fund more effectively used monies from fines than the current system (under new ASIC supervisory arrangements) of directing them into consolidated revenue.

**Mr Swan:** The answer to the honourable member's question is as follows:

1. ASIC is already delivering a wide range of consumer and investor education, for example via our MoneySmart website, our printed publications and our outreach work.

   The MoneySmart website aims to help ordinary Australians take steps to improve their personal finances. It offers free, independent guidance so people can make the best choices about their money. The site has around 320 pages of user-friendly content. Topics covered include managing money, borrowing and credit, superannuation and retirement, investing and scams.

   The content for investors includes in particular information on investing basics, financial advice, investment warnings and borrowing to invest, as well as content on various investment products such as managed funds, shares, property and complex investments such as derivatives, exchange traded funds, CFDs and hedge funds.

   MoneySmart also has numerous interactive calculators and tools to help people take control of their finances. The calculators include a budget planner, super calculator, retirement planner and mortgage calculator.

   The online content is complemented by a number of targeted publications on a range of financial topics such as investing (our 'Investing Between The Flags' booklet), superannuation and credit, which provide essential information, action-oriented tips and contact details for other relevant organisations.

   We also issue a monthly MoneySmart newsletter and regular 'consumer alerts' on topical issues, as well as contributing editorials and articles for magazines issued by e.g. ADF, ASA, ATO and a range of seniors publications.

2. Most of ASIC's consumer and investor education activities are part of their business as usual and are already funded from ASIC's general budget.

   There are two exceptions to this, where the Government has decided to allocate specific funding to ASIC for particular initiatives, namely:

   - funding from the Companies Unclaimed Monies Special Account (CUMSA) to develop and build the MoneySmart website ($12.1 million over 3 years); and
funding for the 'Helping Our Kids Understand Finances' initiative, to improve financial literacy in Australian schools by developing professional learning modules and digital resources linked to the Australian Curriculum ($10 million over 3 years).

**Superannuation Funds**

(Question No. 499)

Mr Fletcher asked the Assistant Treasurer, in writing, on 16 August 2011:

Can he indicate what proportion (as a percentage) of the Australian equity portfolio held by the following funds (a) Australian Super, (b) Cbus, (c) HESTA, (d) HOSTPLUS, (e) MTAA Super, (f) CareSuper, (g) LUCRF Super, (h) Media Super, (i) NGS Super, (j) TWUSUPER, (k) AustSafe, (l) Energy Super, (m) First Super, (n) legalsuper, and (o) REI Super, is constituted by investments in the top 500 big polluting companies that will be subject to the carbon price.

Mr Shorten: The answer to the honourable member's question is as follows:

The Australian Prudential Regulation Authority (APRA) does not currently collect data on the specific investments of superannuation funds.

**Superannuation Funds**

(Question No. 794)

Mr Fletcher asked the Assistant Treasurer, in writing, on 7 February 2012:

(1) What balances does UniSuper use to meet its obligations to members in its defined benefit scheme.

(2) Which other industry super funds have a defined benefit scheme, and what balances exist to ensure that each fund meets its associated obligations to members.

Mr Shorten: The answer to the honourable member's question is as follows:

All defined benefit funds, including UniSuper and any defined benefit industry superannuation funds, maintain a pool of assets that is used to meet their defined benefit obligations to members. This pool of assets is formed via the payment of contributions from the employer(s) of the members of the fund. Part 9 of the *Superannuation Industry (Supervision) Regulations 1994* requires, at least every three years, for an actuary appointed by the trustee to formally review the financial position of the fund to:

- determine whether the size of the pool of assets is currently sufficient to meet the benefit obligations; and

- to advise on the level of contributions required to meet the benefit obligations on an ongoing basis. The contribution rates required to be made by the employer(s) can vary over time depending on the actual experience of the fund.

In practice, actuaries also regularly review the financial position of a fund, generally on an annual basis and/or when a significant event occurs.

There are currently 15 'industry funds' that have defined benefit members. They are referred to as 'hybrid funds' in APRA statistical publications. Hybrid funds are superannuation entities that have a combination of both accumulation and defined benefit members. There are no industry funds that are solely defined benefit.

Please refer to APRA's Superannuation Fund-Level Statistical publications for data on APRA-regulated 'hybrid' industry funds. The publications are available of the APRA's website at: http://www.apra.gov.au/Super/Publications/Pages/superannuation-fund-level-publications.aspx


**Australian Taxation Office: Processing of Tax Refunds**  
*(Question No. 1018)*

**Mr Oakeshott** asked the Treasurer, in writing, on 28 May 2012:

1. What are the Australian Taxation Office (ATO) compliance standards for the timely processing and returning of tax refunds for individuals and business.
2. Has there been an increase in the time taken by the ATO to process and return tax refunds for the 2011 tax year compared to previous years, and if so, why.
3. If the ATO is not meeting the required standards for the timely processing of tax refunds, what action, if any, is being taken by the government to ensure compliance with those standards.

**Mr Swan:** The answer to the honourable member's question is as follows:

1. The Australian Taxation Office (ATO) has service standards in place which publicly state its service commitment to the community. The service standards for processing individual and business income tax returns do not differentiate between returns where a refund is due or the taxpayer will need to pay.

   The standards are shown in table 1, along with the ATO's performance against those standards for the past three years.

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<th>Service standard</th>
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<th>2009-10 performance (%)</th>
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<td></td>
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</tr>
<tr>
<td>Electronic tax returns for individuals within 14 calendar days of receipt</td>
<td>94</td>
<td>86</td>
<td>83</td>
<td>91</td>
</tr>
<tr>
<td>Electronic tax returns for non-individuals within 14 calendar days of receipt</td>
<td>92</td>
<td>78</td>
<td>93</td>
<td>92</td>
</tr>
<tr>
<td>Paper tax returns for individuals within 42 calendar days of receipt</td>
<td>80</td>
<td>93</td>
<td>94</td>
<td>86</td>
</tr>
<tr>
<td>Paper tax returns for non-individuals within 56 calendar days of receipt</td>
<td>80</td>
<td>82</td>
<td>91</td>
<td>83</td>
</tr>
</tbody>
</table>

2. As shown in table 1 above, the ATO has significantly improved its performance for the individual electronic tax return service standard in 2011-12 compared to prior years. Individual electronic tax returns account for over 75% of all tax return lodgments. Combined, individual and non-individual electronic tax returns account for over 90% of all tax return lodgments.

   In the 2011-12 year, the ATO redirected resources into improving outcomes for the majority of individuals whose returns are lodged electronically, resulting in the improved performance. At the same time, the ATO continues to exceed its service standard benchmarks for both individual and non-individual paper lodgements.

3. The Commissioner of Taxation has the responsibility of administering the taxation laws. He advised that for 2011-12, the ATO met the service commitment on 3 of the 4 service standards. The standard
that the ATO did not meet was electronic tax returns for individuals within 14 days, which for 2011-12 was 91% against a benchmark of 94%. We achieved 94% in 17 days.

The ATO is focused on releasing legitimate refund claims in a timely manner and pays interest on refunds delayed beyond prescribed periods and on credit amendments.

Delays to tax return refunds can occur for several reasons including incomplete or incorrect information requiring the ATO to request additional information, cross checking of data with another Government agency and pre-issue compliance reviews.

In relation to delays caused by compliance activity, the ATO, prior to issuing income tax refunds, uses specialist technology to analyse individual income tax returns to detect potential over claiming or fraudulent activity. In 2011-12 (to 30 June 2012), over 109,000 income tax returns were stopped for potential over claiming or fraud with around 80,000 of these requiring a full review resulting in the protection of over $200 million of revenue.

The ATO is:

- continuing to provide updates to professional associations regarding the progress of tax return refunds and listening to concerns raised on behalf of tax agents
- refining risk models to reduce the number of refunds stopped and subsequently released without adjustment
- improving our processes to more efficiently review held returns in a timely manner; and
- communicating our processes and progress including notifying the taxpayer within 12 to 14 days after lodgment that their return has been held for review and when they can expect further contact from the ATO.

**Australian Conservation Foundation**

(Question Nos 1170 and 1171)

Mr Briggs asked the Minister for Families, Community Services and Indigenous Affairs and the Minister for Disability Reform, in writing, on 21 August 2012:

For (a) 2007-08, (b) 2008-09, (c) 2009-10, (d) 2010-11, and (e) 2011-12, what grants were provided to the Australian Conservation Foundation, including the amount, purpose, and program each was delivered under.

Ms Macklin: The answer to the honourable member's question is as follows:

The Australian Conservation Foundation Incorporated received $20,000 across the 2006-07 and 2007-08 financial years from the Women's Leadership Development Pacific Women's Mentoring Program. Of this amount, $2,000 was paid in the 2007-08 financial year.

**Australian Conservation Foundation**

(Question Nos 1172 and 1179)

Mr Briggs asked the Minister for Foreign Affairs and the Minister for Trade and Competitiveness, in writing, on 21 August 2012:

What grants were provided to the Australian Conservation Foundation, including the amount, purpose and program each was delivered under.

(a) 2007-08
(b) 2008-09
(c) 2009-10
(d) 2010-11
Dr Emerson: On behalf of the Minister for Foreign Affairs and myself, the answer to the honourable member's question is as follows:
(a) Nil
(b) Nil
(c) Nil
(d) Nil
(e) Nil

Australian Conservation Foundation
(Question Nos 1188 and 1189)

Mr Briggs asked the Minister for Housing and the Minister for Homelessness, in writing, on 21 August 2012:
For (a) 2007-08, (b) 2008-09, (c) 2009-10, (d) 2010-11, and (e) 2011-12, what grants were provided to the Australian Conservation Foundation, including the amount, purpose, and program each was delivered under.

Mr Brendan O'Connor: The answer to the honourable member's question is as follows:
Please refer to the Minister for Families, Community Services and Indigenous Affairs and the Minister for Disability Reform answer to question 1170 and 1171.

Securency
(Question No. 1219)

Mr Robb asked the Treasurer, in writing, on 10 September 2012:
In respect of media reports on alleged corruption by the Reserve Bank of Australia (RBA) subsidiary Securency,
(a) on what date was (i) Treasury first advised of Securency's alleged breaches of criminal law, and (ii) he first advised of this matter,
(b) within what timeframe should matters of this gravity be reported to the Government,
(c) is he aware that under corporations law, financial services licensees are required to report significant breaches to the Australian Securities and Investments Commission within ten working days,
(d) has he referred, to the Public Service Commissioner or any other agency for inquiry and report, the RBA's delay in reporting this matter to him; if so, on what date will the outcome be made public, and
(e) can he disclose (i) the nature of discussions he and/or his officials has/have had with the RBA since this matter was first brought to his attention, and (ii) any assurances he has received from the RBA, that there will be more timely reporting to the Government and Parliament of similar incidents, should they arise.

Mr Swan: The answer to the honourable member's question is as follows:
The matters under investigation occurred prior the Government coming to office. However, the Governor has briefed the Treasurer and his office appropriately on developments and the actions the Reserve Bank has taken.
Many of these matters are still before the courts. The RBA is fully cooperating with the Commonwealth Director of Public Prosecutions as part of these proceedings. Given the court's consideration is ongoing, it is inappropriate to comment any further.
Infrastructure and Transport: Privately Contracted Security Employees
(Question No. 1229)

Mr Morrison asked the Minister for Infrastructure and Transport, in writing, on 17 September 2012:

(1) In (a) 2008-09, (b) 2009-10, (c) 2010-11, (d) 2011-12, and (e) 2012-13 (to date), how many privately contracted security employees at (i) the Sydney Airport freight terminal, and (ii) Port Botany, have been dismissed for criminal offences or because of criminal records.

(2) Can he confirm that being a known or suspected member of the 'Bra Boys' criminal gang currently does not necessarily preclude someone from receiving a Maritime/Aviation Security identification card.

(3) How many CCTV security cameras at Port Botany are operated by private companies.

Mr Albanese: The answer to the honourable member's question is as follows:

(1) This information is held by the operators of the Sydney Airport freight terminal, and Port Botany as the employers of staff at the facilities.

(2) Under current arrangements, an Aviation or Maritime Security Identification Card can be cancelled on the grounds of convictions against a prescribed list of relevant offences.

(3) The regulations do not prescribe the use of CCTV; however port operators and port facility operators use CCTV to assist in achieving maritime security related outcomes at security regulated ports.

Each port operator and port facility operator is responsible for the CCTV arrangements within their area of control as set out in their maritime Security Plans. Sydney Ports Corporation is the port operator for Port of Botany and holds the information you seek.

Home Affairs: Operation Polaris
(Question No. 1231)

Mr Morrison asked the Minister for Home Affairs, in writing, on 18 September 2012:

(1) In (a) 2008-09, (b) 2009-10, (c) 2010-11, (d) 2011-12, and (e) 2012-13 (to date), which law enforcement and regulatory bodies have been found to have had members provide assistance to criminal groups (as referred to in Operation Polaris’ intelligence update of 20 February 2012).

(2) For the same period, how many members of law enforcement and regulatory bodies have been identified by Polaris investigators as having aided criminal groups, and how many of these members have been (a) charged, (b) prosecuted, and (c) convicted, and of those convicted, what sentences were handed down.

(3) Has there been a response from any Commonwealth law enforcement or regulatory body to the revelation contained in the Polaris report that some members of its organisation were providing assistance to criminal groups; if so, what was the response, and when was it received.

(4) Since 1 July 2008, has any Commonwealth law enforcement or regulatory body recommended to him that laws or regulations applying to those bodies be amended as a result of members of their organisations being found to have aided criminal groups.

Mr Clare: The answer to the honourable member’s question is as follows:

(1) The AFP does not disclose the identities of persons of interest in ongoing investigations, nor does it disclose details of intelligence product produced as a result of POLARIS related enquiries.

(2) The AFP does not disclose the identities of persons of interest in ongoing investigations. There have been no charges, prosecutions or convictions to date from Polaris-based investigations.
(3) There have been no cases identified of AFP appointees providing assistance to criminal groups, as outlined in the findings of the POLARIS report. The AFP remains vigilant for corrupt activity through its robust Integrity Framework.

(4) No. Measures the Government is implementing as part of the Law Enforcement Integrity Legislation Amendment Bill are about ensuring our law enforcement agencies have the best tools available to prevent infiltration and corruption. The introduction of integrity testing and the expansion of the jurisdiction of the Australian Commission for Law Enforcement Integrity were recommended by the Parliamentary Joint Committee on the Australian Commission for Law Enforcement Integrity. The additional powers for the Customs CEO were recommended to me by the former CEO of Customs, to support measures undertaken within Customs to enhance the agency’s integrity framework.

**Broadband, Communications and the Digital Economy: Commonwealth Grants**

*(Question No. 1241)*

**Mr Briggs** asked the Minister for Broadband, Communications and the Digital Economy, in writing, on 18 September 2012:

(1) For (a) 2008-09, (b) 2009-10, (c) 2010-11, and (d) 2011-12, how many Commonwealth grants were approved by the Minister's department, and at what total cost.

(2) For 2012-13 (to date), how many Commonwealth grants were approved by the Minister's department and at what total cost, and of these, how many have (a) signed funding agreements, and at what total cost, and (b) been paid to the approved recipients, and at what total cost.

**Mr Albanese:** The Minister for Broadband, Communications and the Digital Economy has provided the following answer to the honourable member's question:

(1) (a)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Grants</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008/09</td>
<td>35</td>
<td>$20,376,765</td>
</tr>
</tbody>
</table>

(1) (b), (c) and (d) This information is published and available on the department's website (www.dbcde.gov.au) as required by the Commonwealth Grant Guidelines.

(2) For 2012-13 (to date), how many Commonwealth grants were approved by the Minister's department and at what total cost, and of these, how many have (a) signed funding agreements, and at what total cost, and (b) been paid to the approved recipients, and at what total cost.

<table>
<thead>
<tr>
<th>Year (as at 30/09/2012)</th>
<th>Total Grants</th>
<th>Total Cost</th>
<th>Total Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012/13</td>
<td>64</td>
<td>$46,559,258</td>
<td>$15,361,202</td>
</tr>
</tbody>
</table>

**Commonwealth Grants**

*(Question No. 1246)*

**Mr Briggs** asked the Minister for Infrastructure and Transport, in writing, on 18 September 2012:

(1) For (a) 2008-09, (b) 2009-10, (c) 2010-11, and (d) 2011-12, how many Commonwealth grants were approved by the Minister's department, and at what total cost.

(2) For 2012-13 (to date), how many Commonwealth grants were approved by the Minister's department and at what total cost, and of these, how many have (a) signed funding agreements, and at what total cost, and (b) been paid to the approved recipients, and at what total cost.
Mr Albanese: The answer to the honourable member's question is as follows:
(1) and (2) This information is published on the Department's website as required by the Commonwealth grant Guidelines.

**Energy Management: Commonwealth Grants**
*(Question Nos 1247 and 1248)*

Mr Briggs asked the Attorney-General and Minister for Emergency Management, in writing, on 18 September 2012:
(1) For (a) 2008-09, (b) 2009-10, (c) 2010-11, and (d) 2011-12, how many Commonwealth grants were approved by the Minister's department, and at what total cost.
(2) For 2012-13 (to date), how many Commonwealth grants were approved by the Minister's department and at what total cost, and of these, how many have (a) signed funding agreements, and at what total cost, and (b) been paid to the approved recipients, and at what total cost.

Ms Roxon: The answer to the honourable member's question is as follows:
Since 1 July 2009, the Attorney-General’s Department has published grant details on its website. Previously, grants details were published by the Department of Finance and Deregulation.
Each year, the Department publishes over 1,200 individual grants on its grants register. The register includes the value of each grant. For some programs the published value of the grant represents an estimate and the actual amount paid may be different. The Department's annual reports also provide annual expenditure information for each of its grant programs.
To provide further information in response the questions asked would require an unreasonable diversion of resources, particularly in that the questions cover a five-year period.

**Families, Community Services and Indigenous Affairs; Disability Reform; Housing; and Homelessness: Commonwealth Grants**
*(Question Nos 1249, 1250, 1267 and 1268)*

Mr Briggs asked the Minister for Families, Community Services and Indigenous Affairs and the Minister for Disability Reform; and the Minister for Housing and the Minister for Homelessness, in writing, on 18 September 2012:
(1) For (a) 2008-09, (b) 2009-10, (c) 2010-11, and (d) 2011-12, how many Commonwealth grants were approved by the Minister's department, and at what total cost.
(2) For 2012-13 (to date), how many Commonwealth grants were approved by the Minister's department and at what total cost, and of these, how many have (a) signed funding agreements, and at what total cost, and (b) been paid to the approved recipients, and at what total cost.

Ms Macklin: The Minister for Housing and the Minister for Homelessness and I provide the following answer to the honourable member's question:

<table>
<thead>
<tr>
<th>Financial Year Approved</th>
<th>Number of Grants Approved</th>
<th>Total Value (excl GST) across all years of the grant</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) 2008-09</td>
<td>10,586</td>
<td>$2.689b (rounded)</td>
</tr>
<tr>
<td>(b) 2009-10</td>
<td>15,887</td>
<td>$1.253b (rounded)</td>
</tr>
<tr>
<td>(c) 2010-11</td>
<td>3,717</td>
<td>$2.017b (rounded)</td>
</tr>
<tr>
<td>(d) 2011-12</td>
<td>7,000</td>
<td>$1.357b (rounded)</td>
</tr>
<tr>
<td>Total</td>
<td>37,190</td>
<td>$7.316b (rounded)</td>
</tr>
</tbody>
</table>
(1) (a) to (d) The table below outlines the grants approved in 2008-09, 2009-10, 2010-11 and 2011-12:

(2) As at 12 November 2012, 327 grants have been approved in 2012-13 with a total value of $108 million (excluding GST) across all years of the grant. For these grants:

(a) Three hundred and twenty one have signed funding agreements, with six currently being approved by both parties. It is FaHCSIA policy to have funding agreements with all grant recipients; and

(b) $41 million (excl GST) has been paid as at 12 November 2012.

**Commonwealth Grants**

(Question Nos 1254 and 1263)

Mr Briggs asked the Minister for School Education, Early Childhood and Youth, in writing, on 18 September 2012:

(1) For (a) 2008-09, (b) 2009-10, (c) 2010-11, and (d) 2011-12, how many Commonwealth grants were approved by the Minister's department, and at what total cost.

(2) For 2012-13 (to date), how many Commonwealth grants were approved by the Minister's department and at what total cost; and of these, how many have (a) signed funding agreements, and at what total cost, and (b) been paid to the approved recipients, and at what total cost.

Mr Garrett: The answer to the honourable member's question is as follows:

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Number of grants approved</th>
<th>Total value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008-09</td>
<td>2,229</td>
<td>$2,816,047,211</td>
</tr>
<tr>
<td>2009-10</td>
<td>2,274</td>
<td>$1,979,553,572</td>
</tr>
<tr>
<td>2010-11</td>
<td>2,406</td>
<td>$882,505,341</td>
</tr>
<tr>
<td>2011-12</td>
<td>3,116</td>
<td>$808,639,177</td>
</tr>
<tr>
<td>2012-13 (1 July – 30 Sept)</td>
<td>703</td>
<td>$137,297,502</td>
</tr>
</tbody>
</table>

For the period 1 July 2012 to 30 September 2012 all 703 grants had signed funding agreements. The total amount paid to recipients during this period was $39,729,056.

**Rail Infrastructure**

(Question No. 1287)

Dr Stone asked the Minister for Infrastructure and Transport, in writing, on 30 October 2012:

(1) Is he aware that travellers regularly face delays of up to two hours between Seymour and Albury on the Victorian section of the Melbourne to Sydney railway track.

(2) What measures is he taking to have Australian Rail Track Corporation maintain this line so that trains can safely travel at normal speeds, and to prevent such delays in the future.

(3) If repairs to the line are scheduled to take some time, what alternative forms of transport will the Government provide for the travelling public.

Mr Albanese: The answer to the honourable member's question is as follows:

The Australian Government is investing over $3.4 billion to upgrade the interstate freight network, including the rail line between Sydney and Melbourne. Overall, we have increased funding in rail tenfold compared to the then Federal Coalition Government.
This investment is supporting the Australian Rail Track Corporation (ARTC) in performing a significant upgrade to the Sydney to Melbourne line by replacing the deteriorated life-expired wooden sleepers with concrete sleepers. This was a vital first step to improve safety and reliability of the line. The ARTC is also investing $134 million on a ballast rehabilitation program to address long standing drainage problems.

ARTC is liaising with V/Line and CountryLink to put in place arrangements for affected passenger services.

Foreign Investment Review Board
(Question No. 1288)

Mr Fletcher asked the Treasurer, in writing, on 30 October 2012:
Further to his answer to question in writing No. 1137 (House Hansard, 9 October 2012, page P141), why is he unable to provide an update on the specific investment information he provided in 2010 (see question in writing No. 1314, House Hansard, 11 May 2010, page 3185).

Mr Swan: The answer to the honourable member's question is as follows:
The Government is unable to provide the data requested because it is too resource intensive to produce. It would divert staff away from their main role of analysing foreign investment proposals.

Commonwealth Environmental Water Holder
(Question No. 1289)

Mr Coulton asked the Minister for Sustainability, Environment, Water, Population and Communities, in writing, on 31 October 2012:
In respect of the Commonwealth Environmental Water Holder indicating on its website that it has purchased 17 gigalitres of surface water from the Namoi Valley, (a) does this water come from the Namoi River or the Peel River, (b) does this amount include the 5 gigalitres of environmental water from the Chaffey Dam Augmentation Project, and (c) can he provide the actual (not average) dollar per megalitre price of water from the purchases made since

Mr Burke: The answer to the honourable member's question is as follows:
(a) Of the reported 17.5 gigalitres of contracted Commonwealth environmental water recovery in the Namoi catchment (measured in long term average annual yield), 4.77 gigalitres is from water entitlement purchases made from the Namoi Regulated River water source. No purchases have been made from the Peel Regulated River water source.

A further 12.72 gigalitres of water recovery in the Namoi is included in the watersavings contracted under New South Wales State Priority Projects. This volume is an estimate of the water savings from agreed projects. The specific volume and location of the water savings will be confirmed when the works have been completed.

(b) The reported 17.5 gigalitres of Commonwealth water recovery does not include environmental water from the Chaffey Dam Augmentation Project.

(c) The government has not purchased any water from this catchment since 1 July 2012.

Disability Services
(Question No. 1291)

Mr Oakeshott asked the Minister for Disability Reform, in writing, on 26 November 2012:
Is it a fact that current disability service funding for clients would be 'grandfathered' in any transition to a National Disability Insurance Scheme; if not, why not.
Ms Macklin: The answer to the honourable member's question is as follows:

Yes. The high-level principles for a National Disability Insurance Scheme agreed by the Council of Australian Governments provide 'continuity of support to people with disability currently receiving services to ensure that they are not disadvantaged in the transition to a National Disability Insurance Scheme'.

The Commonwealth, state and territory governments will agree the specific arrangements for each launch site to provide continuity of support to people in early 2013, ahead of the commencement of launch in July 2013.

Financial Assistance Grants
(Question No. 1292)

Mr Oakeshott asked the Minister for Regional Australia, Regional Development and Local Government, in writing, on 26 November 2012:

In respect of the arrangements for Commonwealth financial assistance grants to local councils, (a) have there been any recent changes; and (b) have there been any reductions in the amounts that local councils expected to receive in 2012; and if so why, and what are the details.

Mr Crean: The answer to the honourable member's question is as follows:

(a) There have not been any recent changes to the Financial Assistance Grants legislation.

The amount of Financial Assistance Grants available from year to year is set by Commonwealth legislation, the Local Government (Financial Assistance) Act 1995. At the end of the financial year, the Treasurer makes a determination of the final factor for that year and the estimated factor for the following year. The final factor is calculated on estimated Australian population figures, supplied by the Australian Bureau of Statistics, and the March Consumer Price Index. The difference between the estimated and final factors for the current year can result in a positive or negative adjustment on the following year's allocation. Adjustments happen every year, some are positive and some are negative. A negative adjustment occurred this year. The previous negative adjustment happened in 2009-10.

(b). Yes.

The negative adjustment this year was $52.9 million. This was due to a reduction in the CPI figures as well as a downwards adjustment of Australia's population estimates after the 2012-13 Budget was delivered. The population adjustments were a result of more accurate counting methods used in the 2011 Census.

Local governments are receiving their legal entitlement under the Local Government (Financial Assistance) Act 1995. Local governments received $2.74 billion in 2011-12, including the $52.9 million overpayment as outlined above, and $1.117 billion in accelerated payments brought forward from 2012-13 to assist local governments to manage the ongoing impact of the natural disasters in 2010-11 and other pressures.

Defence: Personnel
(Question No. 1293)

Mr Oakeshott asked the Minister for Veterans' Affairs, in writing, on 26 November 2012:

Have the issues relating to compensation for illnesses suffered by defence personnel entering the fuel tanks of F-111 jets been resolved; and if not, what matters remain outstanding.

Mr Snowdon: The answer to the honourable member's question is as follows:

In the 2010-11 Budget, the Government announced its acceptance of 14 of the 18 recommendations by the Joint Standing Committee and Foreign Affairs and Trade report "Sealing a just outcome: Report from the Inquiry into RAAF F-111 Deseal/Reseal workers and their families" tabled in June 2009. The
Government also announced a funding package of $55m over four years to implement these 14 recommendations.

Of the 14 recommendations accepted by Government, 10 were the responsibility of the Department of Veterans' Affairs (DVA), three were the responsibility of the Department of Defence (Defence) and one was a joint responsibility.

DVA has implemented all 10 of the recommendations for which it was responsible and the joint responsibility (an F-111 specific website).

DVA has ongoing work in processing claims for compensation and health care, and delivering F-111 client specific group lifestyle courses through the Veterans and Veterans Families Counselling Service.

The Department of Defence has implemented one recommendation (number 14) and has made much progress with the other two (17 and 18). These two are to strengthen Defence's occupational medicine capability (17); and to conduct a further research of the underlying cause of health conditions associated with F-111 fuel tank maintenance work (18). For the latter, the Jet Fuel Exposure Syndrome Study, launched in December 2010, is a multi-year study that is underway.

**High Speed Rail**

*(Question No. 1294)*

Mr Oakeshott asked the Minister for Infrastructure and Transport, in writing, on 26 November 2012:

1. Can he provide an update on the viability of high-speed rail between Brisbane and Sydney, and whether the location of stations at Taree and Wauchope remain under consideration.
2. In respect of Countrylink rail services on the North Coast, can he provide an update on any plans in New South Wales to (a) franchise, (b) corporatise, or (c) privatise these services.

Mr Albanese: The answer to the honourable member's question is as follows:

1. The final report from the second phase of the high speed rail implementation study will soon be complete. The report is examining the preferred route alignment and station locations, capital costs, passenger and revenue forecasts, financial and economic viability and options for staging, financing and governance. The report will be released following consideration by the Government.
2. Countrylink rail services on the North Coast, and the prospective franchising, corporatising or privatising of these services, are a matter for the New South Wales Government. I refer you to the Hon Gladys Berejiklian MP, New South Wales Minister for Transport.

**Australia-Ethiopia Adoption Program**

*(Question No. 1296)*

Mr Bandt asked the Attorney-General, in writing, on 26 November 2012:

In respect of the Australia-Ethiopia adoption program, (a) for what reasons did the department close the program, (b) were there issues raised as a result of the November 2011 delegation to Ethiopia and internal delegation report that contributed to the closure of the program; if so, what were the issues, (c) how many approved applications can no longer proceed due to the closure of the program, (d) what support is the government providing to those affected by the closing of the program, as per the department's media release 'Ethiopia-Australia Intercountry Adoption Program closed' (28 June 2012), (e) to date, what sum of money has the Government spent on the program, and (f) did the department consult with affected families prior to the closing of the program; if so, how was the consultation undertaken.
Ms Roxon: The answer to the honourable member’s question is as follows

(a) I closed the Ethiopia-Australia Intercountry Adoption Program (the Program) in response to the specific circumstances of the Ethiopian adoption environment, which is increasingly unpredictable, challenging and complex, as well as the Program’s unique operational requirements. The reasons behind my decision include:

- The Australian Government faced ongoing challenges in identifying orphanages in which Australia could have trust and confidence. The growing numbers of non-government adoption agencies operating in Ethiopia, and the closure of orphanages due to greater government scrutiny, led to increased competition for referrals of children to intercountry adoption programs. My Department found that a competitive environment such as this is not always conducive to ethical adoption practices.

- The Program received stronger demands for community development projects to be delivered in the region from which children would be referred, making it increasingly difficult for the Australian Government to ensure such assistance would be delivered in a way that maintained an appropriate separation between the Program and children referred to it for intercountry adoption (in order to avoid the unintentional effect of encouraging communities to relinquish children for adoption).

- The Program’s funds were limited to fees paid by prospective adoptive parents, and the ongoing financial viability of the Program depended on a regular and foreseeable referral of children to generate these fees. Such referrals could not be guaranteed in the current Ethiopian adoption environment.

- Rising costs for Program essentials (such as food and accommodation) in the 18 months prior to the closure meant that the Program could not continue to meet operational costs without significantly increasing fees for prospective adoptive parents. Even with an increase in fees, it was unlikely the Program would be viable into the future given Ethiopia’s current inflation rates (approximately 20–40%).

- The Program’s adoption service provider, Wide Horizons For Children, advised that, in light of changing circumstances in Ethiopia, it had decided to partially reallocate its resources and focus from adoptions to its humanitarian activities in Ethiopia. As a result, the Program and Wide Horizons For Children agreed to end their arrangement. Wide Horizons For Children provided essential ancillary and support services to the Program, including background checking and transition house facilities. Replacing Wide Horizons For Children or restructuring the Program would have required considerable expenditure of Government funds and resources which was not defensible in view of the other issues that would continue to affect the long-term viability of the Program.

(b) Officers from my Department visited Ethiopia from 24 October to 6 November 2011. Issues identified during this delegation visit, contributing to the Departmental briefing that informed my decision to close the Program, included:

- The continued strained relationship between the Australian Representative and the Program’s service provider, Wide Horizons For Children.

- The difficulty in engaging the relevant Ethiopian Authorities, despite best efforts, to discuss updates to the bilateral arrangement underpinning the Program’s operation in Ethiopia.

- The emphasis placed by federal and regional level Ethiopian government departments on the importance of receiving development assistance from the Program.

- The difficulty in identifying orphanages in which the Australian Government could have trust and confidence. The delegation faced pressure from many orphanage directors it met with to provide additional aid when forming orphanage relationships. The delegation was concerned by the...
escalating requests from the Director of the Program's then Partner Orphanage for orphanage support payments and 'facilitation allowances'.

(c) At the time of the Program's closure, there were 27 files that had been approved and sent to Ethiopia for matching. My Department does not have information about how many approved applications were in Australia waiting to be sent to Ethiopia; state and territory Central Authorities are responsible for processing and approving individual adoption applications.

(d) In my media release announcing the closure of the Program on 28 June 2012, I noted that the Australian Government and its State and Territory counterparts would provide what support we could. As at 24 December 2012, my Department has refunded fees paid directly to the Program by affected applicants as expeditiously as possible, with all but two complete. My Department is waiting on the affected applicants to provide the necessary information to process the remaining refunds.

My Department also continues to receive a high level of correspondence on this issue, and, where appropriate, seeks to provide additional information to correspondents about the Program's closure. Other support, such as counselling and consideration of other options for affected families, including discussion of other intercountry adoption programs or domestic care options, is being facilitated by state and territory Central Authorities.

(e) The Australian Government assumed responsibility for the management of the Program on 1 July 2007. There was no specific budget for the management of the Program. Departmental staffing and travel costs funded by the Department as part of its management of the Program were met by the broader Departmental budget. It is not possible to provide an accurate amount of staffing and related costs for the Program as the level of staffing devoted to the Program varied over time. Since 2007, there have been eight delegation visits to Ethiopia, at a total cost (for travel and related expenses) of $226,456. Departmental funds have also been used to meet various costs associated with the Program's closure, including refunds of Program fees to affected applicants and a payment to the Program's Service Provider in settlement of invoices for services rendered (AU$194,325.40 in total to 24 December 2012).

Fees paid by prospective adoptive parents directly to the Program met fixed and variable running costs incurred in the Program's daily operation and in facilitating each individual adoption.

(f) Not specifically about the Program's closure. However, my Department provided the intercountry adoption community with regular updates concerning the Program, including meeting with representatives of prospective adoptive parents and providing updates through its website. In statements on my Department's website, the Program was referred to as 'consistently [being] Australia's most complex and challenging program' and it was often noted, with announcements of delegation visits, that the delegation would assess the ongoing ethics and viability of the Program.

**Tertiary Education**

*(Question No. 1307)*

Ms Gambaro asked the Minister for Immigration and Citizenship, in writing, on 27 November 2012:

In respect of students on work and holiday programs, since 1 July 2011, (a) how many have had to be deported for overstaying their visa, and of those deported students, (i) how many had the cost of their return travel to their country of origin paid by the Australian Government, and (ii) what sum of money has been spent on the return travel arrangements of these deportees, and (b) how many have not had return travel arrangements already in place.

Mr Bowen: The answer to the honourable member's question is:

(a) From 1 July 2011 to 30 September 2012, 203 clients who arrived on either a Working Holiday (subclass 417) or Higher Education Section (subclass 573) visa have been removed from Australia.
(i) All 203 clients listed above had their removal costs paid by the Australian Government.

(ii) The cost of a removal depends on a wide range of factors including the destination and commercial airfare costs, whether security or other escorts are required (including their airfares, accommodation and allowances). The average cost for removal has consistently remained in the vicinity of $4,000 per client over recent program years.

(b) The Department is unable to respond to this question as departmental systems do not record whether a client had travel arrangements in place prior to their removal being effected.

**Employment Services Assessments**

(Question No. 1326)

Mr Briggs asked the Minister representing the Minister for Human Services, in writing, on 29 November 2012:

In respect of Employment Services Assessments, in 2011-12, (a) how many assessments did the department undertake, (b) what was the total cost to the department for delivering the assessments, and (c) how many qualified health professionals does the department employ to undertake the assessments.

Mr Brendan O'Connor: The answer to the honourable member's question is as follows:

(a) 371,309.

(b) The administered appropriation provided to the Department of Human Services for 2011-12 for assessments for Disability Support Pension and employment services was $83,854,910. This includes the work of professionals carrying out assessment services.

(c) All assessors are qualified health or allied health professionals. The average number of assessors in 2011-12 was approximately 500 Full Time Equivalent.