House of Representatives

Official Hansard

No. 6, 2013
Thursday, 30 May 2013

FORTY-THIRD PARLIAMENT
FIRST SESSION—NINTH PERIOD

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FORTY-THIRD PARLIAMENT
FIRST SESSION—NINTH PERIOD

Governor-General
Her Excellency Ms Quentin Bryce, Companion of the Order of Australia

House of Representatives Office holders
Speaker—Ms Anna Elizabeth Burke MP
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, Ms Sharon Joy Grierson MP, Ms Jill Griffiths Hall MP, Dr Andrew Keith Leigh MP, Ms Kirsten Fiona Livermore MP, Mr Geoffrey Raymond Lyons MP, Hon. Robert Bruce McClelland 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, Ms Janelle Anne Saffin MP, Mr Michael Stuart Symon 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—Mr Christopher Patrick Hayes MP
Government Whips—Ms Jill Griffiths Hall MP, Mr Robert George Mitchell MP and Mr Graham Douglas Perrett 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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### Members of the House of Representatives

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<td>Truss, Hon. Warren Errol</td>
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<td>Vamvakinou, Maria</td>
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<td>Windsor, Anthony Harold Curties</td>
<td>New England, NSW</td>
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PARTY ABBREVIATIONS
ALP—Australian Labor Party; LP—Liberal Party of Australia; LNP—Liberal National Party;
CLP—Country Liberal Party; Nats—The Nationals; NWA—The Nationals WA; Ind—Independent;
AG—Australian Greens

Heads of Parliamentary Departments
Clerk of the Senate—R Laing
Clerk of the House of Representatives—B Wright
Secretary, Department of Parliamentary Services—C Mills
Parliamentary Budget Officer—P Bowen
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<td>Senator the Hon Stephen Conroy</td>
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<tr>
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<td>The Hon Dr Craig Emerson MP</td>
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<tr>
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<tr>
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<tr>
<td>Minister for the Public Service and Integrity</td>
<td>The Hon Mark Dreyfus QC MP</td>
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<tr>
<td>Cabinet Secretary</td>
<td>The Hon Jason Clare MP</td>
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<tr>
<td>Minister Assisting the Prime Minister on the Centenary of ANZAC</td>
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<td>The Hon Dr Andrew Leigh MP</td>
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<tr>
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<td>The Hon Wayne Swan MP</td>
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<tr>
<td>(Deputy Prime Minister)</td>
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<tr>
<td>Minister for Financial Services and Superannuation</td>
<td>The Hon Bill Shorten MP</td>
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<tr>
<td>Assistant Treasurer</td>
<td>The Hon David Bradbury MP</td>
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<tr>
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<tr>
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<td>The Hon Dr Mike Kelly AM MP</td>
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<tr>
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<tr>
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<tr>
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Each box represents a portfolio. **Cabinet Ministers are shown in bold type.** As a general rule, there is one department in each portfolio. However, there is a Department of Veterans Affairs in the Defence portfolio. The title of a department does not necessarily reflect the title of a minister in all cases.

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<td>The Hon Tony Abbott MP</td>
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<tr>
<td>Shadow Parliamentary Secretary Assisting the Leader of the Opposition</td>
<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>
<td><strong>Shadow Minister for Trade</strong></td>
<td>The Hon Warren Truss MP</td>
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<tr>
<td>(Deputy Leader of the Opposition)</td>
<td>Mr Darren Chester MP</td>
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<tr>
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<tr>
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<td>Senator Mathias Cormann</td>
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<tr>
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<tr>
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<tr>
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<td>Mr Don Randall MP</td>
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<tr>
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<tr>
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The SPEAKER (Ms AE Burke) took the chair at 09:00, made an acknowledgement of country and read prayers.

BILLS

Early Years Quality Fund Special Account Bill 2013

First Reading

Bill and explanatory memorandum presented by Mr Garrett.
Bill read a first time.

Second Reading

Mr GARRETT (Kingsford Smith—Minister for School Education, Early Childhood and Youth) (09:01): I move:
That this bill be now read a second time.

Commitment to early childhood

This government has a proud record of achievement in early childhood education and care.

Core to our values is giving every child an opportunity to succeed and we have consistently demonstrated throughout the last six years our commitment to improving the outcomes for all Australian children.

With more Australian children in education and care than ever before and a compelling body of evidence showing that 90 per cent of a child's brain development happens in these critical years, we want to give our children the best start in life.

Australian and international research shows that having educators with higher qualifications is closely associated with improved outcomes for children. More highly qualified staff means a greater understanding of early childhood development so staff are more able to lead activities that inspire youngsters and help them learn and develop.

This bill acknowledges that commitment by securing for these educators the necessary recognition of their professionalism and to reward them accordingly with higher wages.

At the heart of this bill is this government's commitment to quality early childhood education, a commitment to early childhood education that is accessible and affordable and a commitment to having a highly qualified early childhood workforce.

Quality

The government's commitment to quality early childhood education is evidenced by our leadership in establishing the National Quality Framework for early childhood education and care.

The National Quality Framework is an important reform which delivers a higher standard of care for children in the critical areas of educational development, health and safety and social interactions. It provides clear and comprehensive information for families so they can make informed choices about which service is best for their child.

The National Quality Standard improves quality through improved educator-to-child ratios, stronger educator qualification requirements and a new quality rating system.

Quality early childhood education and care ensures that children are happy, engaged and learning with qualified educators who are nurturing and caring. It means children are in safe and stimulating learning environments. When parents drop off their children, they need to do so with confidence that their child will be cared for and educated in the best way possible.

We have recently seen the first ratings published on the website giving parents more
information to help them choose the service that meets their needs.

The NQF is a fundamental and long-lasting reform. Ensuring improved quality of early childhood education and care will produce long term improved productivity and economic prosperity for Australia.

The Early Years Quality Fund will support the implementation of the NQF by assisting providers to offer educators higher wages consistent with changes in staff to child ratios and the increased qualification requirements of the NQF.

**Affordability and Accessibility**

This government has been working hard to ensure that quality early childhood education and care remains affordable and accessible for all Australian families.

Over the next four years the government will invest a record $25 billion in early childhood education and care, of which $22.1 billion will be in direct childcare assistance to parents, more than triple the investment in the four years prior to 2007, making improvements to the lives of children and families.

But we know that affordability is only part of the story and that accessibility to quality services is critical.

We have recognised that early childhood education and care is not a one-size-fits-all endeavour.

We understand that services must be more responsive to the varying needs of families. That's why childcare rebate and childcare benefit can be used for a range of flexible approved childcare providers and services.

The Australian government is trialling new ways to make child care more flexible for families, such as extending opening hours in long day care centres.

Our commitment to accessible quality early childhood education and care is also evidenced by the government's investment of nearly $970 million between 2008 and 2013 to provide all children in the year before school access to a quality preschool education delivered by a quality, qualified early childhood teacher.

Recent data shows that because of this investment 266,000 four- and five-year-old children were enrolled in a program in the year before full-time school in 2012. This is 60,000 more children enrolled in 2012 than in 2008.

In this year's budget, the government announced a further $660 million to extend the universal access commitment to quality early childhood education in the year before school to the end of 2014.

This brings the total funding to over $1.6 billion to area that was neglected prior to 2007.

It is with pride that I can also say that the early childhood education and care Closing the Gap target will be met this year. In 2008 we pledged to deliver access to early childhood education to all Indigenous four-year-olds in remote communities within five years.

This year, 2013, we will meet that target. I am proud to be a part of a government that not only set ambitious long-term goals but provided the funding and leadership to reach that goal.

**Quality Workforce**

Every day thousands of committed and dedicated early childhood professionals help to prepare Australian children for the world around them, providing a nurturing, caring and supporting environment—an environment where every child gets the opportunity to learn, grow and develop at their own pace, with people interested only in helping them be the best they can be.
We know these critical early years mean so much to a child's future learning and we owe it to both the children and families using early childhood education and those that educate and care for them to do all that we can to recognise and reward the important work that they do.

With over 615,000 children in long day care in Australia to the September quarter of last year the benefit to the community is enormous.

And, in addition to the critical work educating children, educators are crucial in upholding the economic stability of the country through increased workforce participation and greater security of employment, especially for women.

I am proud of this government's record in assisting the early childhood workforce, through programs such as:

- The TAFE Fee Waiver—which enables students to obtain a diploma or advanced diploma in children services without paying fees.
- The Recognition of Prior Learning initiative—which provides grants of up to $3,500 to enable educators to have the skills they have acquired through working in the sector recognised and enable them to obtain or upgrade their qualifications.
- The HECS-HELP initiative—which provides funding to reduce the Higher Education Loan Program debts of early childhood education teachers who work in areas of high need, such as remote areas.
- The Inclusion and Professional Support Program—through which the educators and services receive professional development and support to enhance the provision of quality early childhood education and care services.

**Early Years Quality Fund**

In bringing this bill here today, the government continues this record of achievement in early childhood through securing a professional workforce that will ensure higher quality education and care for Australian children.

To complement the vital work that this government has done to improve accessibility, affordability and quality of early childhood education and care, this bill establishes a $300 million Early Years Quality Fund to support quality outcomes for children by assisting the early childhood services to attract and retain qualified hardworking professionals in the sector and reduce the numbers of educators leaving the sector overall.

The fund, which will operate for two years, will enable grants to be paid services to supplement wage increases of all educators and staff assisting in the provision of quality early childhood education and care.

The fund will ensure higher wages across all classification scales, providing an incentive for educators to further their careers by attaining higher qualifications.

This bill will be the difference between some of the best and brightest in the sector staying in their vitally important profession or leaving for higher wages in sectors such as retail or administration.

The Early Years Quality Fund will assist with maintaining the affordability of early childhood education, along with the government's substantial financial assistance to families through childcare benefit and childcare rebate, while ensuring the high quality of education and care for children.

All long day care centres approved for childcare benefit can apply for the funding. Eligible services must demonstrate a
commitment to improve quality outcomes for children, including workforce plans to attract and retain qualified staff.

But the government knows that this fund is the first step in the increased professional recognition of early childhood education and care workers. That is why the government also announced the establishment of the Pay Equity Unit in the Fair Work Commission.

The Pay Equity Unit will undertake research and data collection to inform matters related to pay equity under the Fair Work Act, modern award reviews and annual minimum wage decisions.

The Early Years Quality Fund and the Pay Equity Unit build on the record of achievement in the social and community services and aged-care sectors. The government has achieved significant outcomes with respect to pay equity, but is committed to do more to close the gender gap and assist workers in low-paid sectors, who are usually women, to improve wages and gain the professional recognition they deserve.

The Early Years Quality Fund will give a much needed wage increase to our professional, hardworking qualified early childhood educators, ensuring that they not only feel valued but that their value to the Australian community is reflected in their pay cheques.

The fund continues the government's commitment to economic growth and jobs, supporting parents to remain in the workforce, increasing skills across the workforce and building a productive future for our children. I commend this bill to the House.

Debate adjourned.

**Defence Legislation Amendment (Woomera Prohibited Area) Bill 2013**

**First Reading**

Bill and explanatory memorandum presented by Mr Stephen Smith.

Bill read a first time.

**Second Reading**

Mr STEPHEN SMITH (Perth—Minister for Defence and Deputy Leader of the House) (09:14): I move:

That this bill be now read a second time.

The Defence Legislation Amendment (Woomera Prohibited Area) Bill 2013 gives effect to the recommendations of the Hawke review of the Woomera Prohibited Area.

The Woomera Prohibited Area is Australia's most important military testing range. It is used for the testing of war materiel under the control of the Royal Australian Air Force. It covers 127,000 square kilometres in South Australia, approximately 450 kilometres north-north-west of Adelaide. It is the largest land range in the world, with a centre line of over 600 kilometres, comparable to the size of England.

At the same time, the Woomera Prohibited Area overlaps a major part of South Australia's potential for significant minerals and energy resources, including 30 per cent of the Gawler Craton, one of the world's major mineral domains, and the Arckaringa, Officer and Eromanga basins for hydrocarbons and coal. Olympic Dam is adjacent to the Woomera Prohibited Area and is part of the same geological formations.

The South Australian government has assessed that over the next decade about $35 billion worth of iron ore, gold and other minerals resources are potentially exploitable from within the Woomera Prohibited Area.
In May 2010 the then Minister for Defence, Senator John Faulkner, announced a review to make recommendations about the best use of the Woomera Prohibited Area in the national interest. This was undertaken by Dr Allan Hawke, a former secretary of the Department of Defence, and involved consultation with a wide range of affected stakeholders. In November 2010, the review's interim report was released for public comment, and government was provided with the final report in February 2011. In May 2011, with the then Minister for Resources and Energy, Martin Ferguson, and with the support of the South Australian government, through its then Premier, Mr Mike Rann, and the South Australian Minister for Mineral Resources Development, Mr Tom Koutsantonis, I released the final report, with the government agreeing to implement the recommendations.

The Department of Defence established the Woomera Prohibited Area Coordination Office that same month and a moratorium was issued on all but the most advanced applications for access to the Woomera Prohibited Area, to enable the development of protocols necessary to implement the review.

Minister Ferguson and I released a draft deed of access for minerals exploration for public consultation in April 2012. The deed proposes an access regime for exploration companies during the transition phase to full implementation of the review's recommendations. Public consultation was undertaken on the draft deed by the Woomera Prohibited Area Coordination Office in Adelaide in May 2012 and a workshop followed in Canberra in June 2012.

In October 2012, then Minister Ferguson and I announced that the Woomera Prohibited Area was open to resources development under the transitional deed of access regime. We also announced the creation of the Woomera Prohibited Area Advisory Board and the appointment of Mr Stephen Loosley as independent chair of the advisory board and the Hon. Paul Holloway as deputy chair.

On 8 May this year the Minister for Resources and Energy and I jointly released for public consultation draft legislation to implement the recommendations of the review. The Woomera Prohibited Area Coordination Office held a public consultation workshop in Adelaide on 10 May.

The Hawke review considered how to use the Woomera Prohibited Area in a way that ensured that both its full national security and economic potential were realised. The review proposed a system to maximise the co-existence between defence and non-defence users of the area.

The review recommended that Defence remain the primary user of the area, but acknowledged that exploitation of the Woomera Prohibited Area's considerable minerals resources would bring significant economic benefit to South Australia in particular and Australia in general.

The review proposed that the Woomera Prohibited Area be opened up for resources exploration to the maximum extent possible, but within the confines of its primary use for defence purposes. This will allow Australians to take advantage of the resources potential of the Woomera Prohibited Area while ensuring its future viability as the most important test and evaluation range that supports the Australian Defence Force.

The bill establishes a framework that provides all non-defence users within the Woomera Prohibited Area a greater level of...
certainty over defence activity in the area and greater certainty over access arrangements.

It allows users to make commercial decisions with some assurance as to when they will be required to leave the area because of defence activity.

The framework maintains the primacy of the Woomera Prohibited Area as a national security and defence asset and sets up a co-existence scheme that allows access by non-defence users subject to conditions that protect the safety of all users in the Woomera Prohibited Area and ensures the appropriate national security protections for an area used to test defence capability.

As recommended by the review, Indigenous landholders, pastoralists with an already established presence and existing mining operations in the Woomera Prohibited Area will continue to access and operate under their current arrangements.

The co-existence scheme established by the bill will apply to new users of the Woomera Prohibited Area. Existing users of the area have the option of voluntarily joining the co-existence scheme established by these legislative measures if they so choose.

The Woomera Prohibited Area contains recognised traditional owners and significant Indigenous sites. Under the bill, permit holders who gain access to the Woomera Prohibited Area will be required to protect these sites and comply with all relevant native title and Aboriginal heritage laws. Indigenous groups with current statutory and access rights expressly retain these rights. They will not need to apply for permission under this legislation, which does not disturb existing rights.

The bill will insert a new part VIB into the Defence Act to include the Woomera Prohibited Area. Consequently, this will allow appropriately trained and qualified defence security officials to apply the security powers provided for by part VIA to ensure the safety of all users and the security of the area.

While the bill provides the overarching framework for the legislative scheme, the detail of the proposed regime is to be included in the Woomera Prohibited Area Rules, to be agreed by the Minister for Defence and the Minister for Resources and Energy.

In broad terms, the bill:

- Authorises the Minister for Defence, with the agreement of the Minister for Resources and Energy, to make the Woomera Prohibited Area Rules prescribe certain matters, including defining the Woomera Prohibited Area, and the zones to be demarcated within that area.
- Creates a permit system for access and use by future non-defence users of the area.
- Introduces offences and penalties for entering the Woomera Prohibited Area without permission and for failing to comply with a condition of a permit. An infringement notice scheme and demerit point system will apply to the offence for failing to comply with a permit condition. The detail of these schemes will be included in the rules.
- Provides for compensation for acquisition of property from a person otherwise than on just terms, although the rules may limit the amounts of compensation payable by the Commonwealth.

Consultation
Extensive consultation was undertaken during the review process and the legislation implements the recommendations put
forward in the review. Submissions were received from interested stakeholders, including:

- the resources industry;
- Indigenous groups;
- pastoralists; and
- environmental groups. The consultation period on the bill itself was short. The government’s intention is to enact legislation before this parliament is prorogued. This is in the interests of providing non-defence users of the Woomera Prohibited Area with certainty and assurance about their use of the area.

Consultation on the bill included:

- the release of an information paper on the proposed legislative framework for the Woomera Prohibited Area. The paper provided a general overview of the proposed policy framework proposed for implementation in the legislative package.
- On 8 May 2013, an exposure draft of the bill was released for stakeholder feedback.
- The South Australian government hosted a consultation workshop in Adelaide on 10 May 2013, chaired by the Woomera Prohibited Area Coordination Office, to discuss the bill.
- On 24 May 2013, the South Australian government hosted a discussion between Defence officials and traditional owners of the Maralinga Tjarutja and Anangu Pitjantjatjara Yankunytjatjara lands, about the legislation.

Stakeholders provided feedback through the workshop and by written submission. Feedback was considered and where appropriate the exposure bill was amended to take concerns into account. Amendments which occurred as a result of stakeholder feedback included express and specific recognition of the existing authorities for existing users, including Indigenous groups.

After discussions Department of Defence officials held with the traditional owners of parts of the Woomera Prohibited Area, the government agrees, as a matter of policy, with their request that no 'wet canteens' under the current Defence Regulations for the Woomera Prohibited Area will be created in the lands held by the Maralinga Tjarutja or Anangu Pitjantjatjara Yankunytjatjara traditional owners.

The Woomera Prohibited Area Rules will be released for public consultation today with a period of a month for interested stakeholders to consider and provide feedback.

The Woomera Prohibited Area Coordination Office will conduct extensive consultation during this period. I encourage all stakeholders to provide the office with their comments. All reasonable suggestions and contributions regarding the rules will be considered for incorporation by the government.

Woomera Prohibited Area Advisory Board

The Woomera Prohibited Area Advisory Board has been established to oversee the Woomera Prohibited Area access system and foster relationships among the Woomera Prohibited Area stakeholder groups.

The Woomera Prohibited Area Advisory Board has an independent chair, Mr Stephen Loosley, and an independent deputy chair, the Hon. Paul Holloway. Mr Stephen Loosley is Chairman of the Australian Strategic Policy Institute, or ASPI, as it is well known. Mr Holloway is a previous resources minister of South Australia.

Other board members are senior representatives from the Commonwealth departments of Defence, Resources and
Energy, and Finance and Deregulation, and the South Australian government.

The board was established to ensure:

- that the balance between economic interests and national security is maintained;
- the effectiveness of the access system in safeguarding Defence activities; and
- Indigenous and environmental interests are properly accounted for.

The Woomera Prohibited Area Advisory Board meets on a regular basis to undertake these functions.

**Woomera Prohibited Area Rules**

As I referred to earlier, the Draft Woomera Prohibited Area Rules 2013 will be released for public comment today.

The rules provide for the detailed arrangements to give effect to the bill.

This detail includes prescribing an area as the Woomera Prohibited Area and the provision for zones and exclusion windows within those zones.

The rules will also provide for:

- various types of permission to be at a place within the Woomera Prohibited Area, including standing permission, written or oral permission and by way of a permit.
- the process by which permits may be subject to suspension or cancellation including the ability for a permit holder to have the minister review a decision in relation to a cancellation of a permit.
- the Secretary of the Department of Defence to appoint people to be authorised officers to give infringement notices.
- demerit points which may be incurred when a person pays the penalty contained in an infringement notice or is convicted or found guilty of an offence.
- a cap on compensation payable to a person for loss or damage suffered in the Woomera Prohibited Area, not resulting in death or personal injury, of $2 million.

**Conclusion**

This important legislation:

- establishes a framework that provides non-Defence users within the Woomera Prohibited Area, in particular the resources industry, with a level of certainty over Defence activity in the area;
- allows users to make commercial decisions with some assurance as to when they will be requested to leave the area because of Defence activity; and
- protects the safety of all users in the Woomera Prohibited Area and to ensure the appropriate national security protections for an area used to test defence capability.

I commend the bill to the House.

Debate adjourned.
for citizenship by conferral. It acknowledges the benefits that these people bring to Australia and provides them with a pathway to citizenship.

In 2009, the government recognised the special needs of two sets of people who were unable to meet the general residence requirement of 'four years lawful stay' in Australia, including the final 12 months before application for citizenship as a permanent resident. These two groups of people were those who need to be an Australian citizen to engage in specified activities of benefit to Australia (pursuant to section 22A of the Australian Citizenship Act 2007 (the act)), and those whose work requires them to travel frequently outside of Australia (section 22B of the act).

As of March 2013, section 22A had been used 14 times and section 22B had been used 84 times since September 2009. It has become apparent, however, that they do not adequately cover the field. The bill addresses this gap.

**Alternative residence requirement**

The bill proposes to give the minister a personal, non-compellable discretionary power to substitute an alternative residence requirement in both sections 22A and 22B.

In relation to section 22A, the applicant must continue to meet the initial requirements of the section, which are that:

- they seek to engage in an activity specified in a legislative instrument;
- their engagement in that activity would be of benefit to Australia;
- they need to be an Australian citizen in order to engage in that activity;
- there is insufficient time for them to satisfy the general residence requirement; and
- the head of a specified organisation or a person holding a senior position in that organisation, has given the minister a notice in writing stating that the applicant has a reasonable prospect of being engaged in that activity.

In relation to section 22B, the applicant must meet the following initial requirements:

- they are engaging in a kind of work, specified in the legislative instrument, which requires them to regularly travel outside of Australia;
- they have engaged in that work for at least two of the four years immediately prior to application;
- they regularly travelled outside of Australia for the whole or part of that four-year period prior to application; and
- to be eligible for the discretion, the applicant must be engaged in a kind of work of benefit to Australia.

The new discretion provides that the minister could, in writing, determine that the following alternative requirements apply instead of the usual special residence requirements:

- the applicant was present in Australia for at least 180 days during the two years prior to application;
- the applicant was a permanent resident throughout the 90 days immediately prior to application; and
- the applicant was not present in Australia as an unlawful citizen at any time during 180 days immediately prior to application.

In common with all of the other residence requirements in the Citizenship Act, the bill provides that a person cannot satisfy the alternative residence requirement if, at any time during the two years prior to application, the person was imprisoned or confined to a psychiatric institution by order.
of a court in connection with proceedings for an offence against Australian law. The bill, however, maintains the minister's discretion to decide that this restriction does not apply if it would be unreasonable in the circumstances of the applicant.

In order to reinforce the importance of presence in Australia as a way of understanding the Australian way of life and the commitment made through the citizenship pledge, the applicant must give the minister an undertaking in writing that, if they acquire citizenship through the exercise of the special power:

- they will be ordinarily resident in Australia throughout the two years following acquisition of citizenship;
- they will be physically present in Australia for at least 180 days during that two year period; and
- they understand that their citizenship can be revoked by the minister if they do not comply with this undertaking.

The 'ordinarily resident' criteria ensure that those who obtain citizenship in these special circumstances genuinely have their home or permanent abode in Australia, and that absences from Australia are only temporary in nature. For example, a defence scientist who spends extended periods of time outside Australia for the purpose of their work, but who spends at least 180 days in the two year period after acquiring citizenship in Australia and whose home base is here, will generally be assessed as ordinarily resident in Australia. However, a defence scientist whose home base is in a foreign country, and who is in Australia for less than 180 days, would not be fulfilling their commitment to Australia and would not be considered to be ordinarily resident in Australia.

This commitment is not unduly restrictive; it requires the new citizen to spend approximately one-quarter of their time physically present in Australia. This allows sufficient flexibility for new citizens, such as elite athletes and professionals, to spend time abroad and still maintain their citizenship.

**Procedural requirements**

To reinforce what a great privilege is being extended to an applicant through the alternative residence requirements, the minister's power cannot be delegated nor can the minister be compelled to use this power, whether or not somebody has requested it.

To ensure transparency, the bill provides that if the minister exercises the power to apply the alternative residence requirements in favour of an applicant, and the applicant becomes an Australian citizen as a result, the minister must table in each house of parliament a statement that the minister has exercised the power and sets out the reasons for so doing, including why the minister considers that the engagement in that activity or kind of work by the person would be of benefit to Australia. To protect the privacy of the applicant, that statement is not to include the name of the applicant.

**Revocation**

Australian citizenship is not to be taken lightly. If, therefore, a person acquires citizenship through the minister's use of the new discretion, they must comply with their undertaking to be resident in Australia for the specified period of time after acquiring citizenship. If they do not honour this commitment, the bill provides that the minister can personally revoke their citizenship. The minister can also require the person to surrender any certificate of Australian citizenship which they have in their possession.

If the person is a responsible parent of a child aged under 18 at the time, the bill also provides that the minister can revoke the child's citizenship. However, this cannot be
done if the child has another responsible parent who is an Australian citizen or that responsible parent who was an Australian citizen has died.

In order to honour Australia's commitments under the 1954 and 1961 United Nations Conventions on Statelessness, the bill provides that the minister must not revoke the citizenship of either the main applicant or their child if such revocation would render the person stateless.

Other eligibility requirements for citizenship

The minister must be satisfied that the applicant meets the other requirements in subsections 21(2), (3) or (4) of the act. Those subsections cover such matters as their age and the requirement that the applicant be of good character. Applicants meeting the alternative residence requirement must also pass the citizenship test.

Review of decisions

The bill provides that the Administrative Appeals Tribunal cannot review a personal decision of the minister in relation to whether the alternative residence requirements apply, nor can it make such a decision on its own account. Such powers would be inappropriate because the minister alone can exercise the discretion as to whether those alternative residence requirements have been met, as well as the other relevant requirements including those relating to the character and identity of the applicant.

These decisions will be subject to judicial review, and to parliamentary scrutiny due to the tabling requirements where the power has been exercised.

Legislative instrument

A legislative instrument under section 22C of the act specifies the activities which are of benefit to Australia covered by section 22A, and the kinds of work covered by section 22B. I have signed a new legislative instrument which extends the coverage of these provisions. The new instrument will come into effect the day after it is registered.

Because the provisions in section 22A are limited to those who need Australian citizenship to carry out their activities, the relevant list is limited to those who require a high-level security clearance to work with the Commonwealth and elite athletes in a range of sporting competitions. The new instrument will include international cricket competition as a specified activity and adds Cricket Australia to the list of organisations who may support an application.

The Gillard government recognises that certain other people make a great contribution to Australia, even if they do not require citizenship to do so. We wish to assist them with the difficulties they face in becoming eligible for citizenship due to their work-related travel. Therefore, the new instrument extends the category of people covered by section 22B, to include:

- Scientists employed by an Australian university and undertaking research and development of benefit to Australia, or employed by CSIRO or a medical research institute;
- Medical specialists, internationally renowned in their field, who are fellows of a listed Australian medical college;
- Writers or persons engaged in the visual or performing arts who are holders of, or have held, a distinguished talent visa; and
- Chief executive officers and executive managers of an S&P/ASX All Australian 200 listed company.

The decision to include a category of persons within the legislative instrument is an important one and should not be taken lightly.
but the government should be open to broadening its scope if there is a legitimate reason to do so.

Conclusion

In conclusion, the proposed amendments would give the minister a discretion to provide a pathway to citizenship to a very small number of people in very exceptional circumstances, where their becoming a citizen would be of benefit to Australia. Australia should be proud to call these people their own.

I commend this bill to the chamber.

Debate adjourned.

Migration Amendment (Offshore Resources Activity) Bill 2013

First Reading

Bill and explanatory memorandum presented by Mr O'Connor.

Bill read a first time.

Second Reading

Mr BRENDAN O'CONNOR (Gorton—Minister for Immigration and Citizenship) (09:38): I move:

That this bill be now read a second time.

The purpose of this bill is to implement the government's commitment to ensure that all Australian jobs are regulated under Australian migration laws. This is with a view to ensuring that the definition of the migration zone in the Migration Act 1958 (the Migration Act) captures foreign workers working in Australia's offshore resources industry.

In May 2012, the Federal Court of Australia handed down its decision in the case of Allseas Construction SA v Minister for Immigration and Citizenship [2012] FCA 529 (Allseas). The court found that Allseas' pipe-laying vessels and the non-citizens working on these vessels were not within or working within the migration zone as defined under the Migration Act. This means that the workers on board those vessels did not require a visa.

The offshore resources industry is a significant and growing contributor to Australia's economy, with billions of dollars of value added to the economy and thousands of Australian workers employed.

The government recognises that in cases of skills shortages, industry needs to bring in foreign labour, but these are Australian resources and Australian jobs. The Australian community expects all Australian jobs to be regulated by Australian laws.

The gaps in the Migration Act, exposed by the Allseas case, undermines the integrity of Australia's migration program and the visa regime regulating work entitlements.

Without regulation there is a risk that foreign workers involved in the exploration and exploitation of Australia's natural resources and who therefore form part of the Australian employment sector are working under conditions and receiving wages that are below Australian standards. This reduces work opportunities for Australian citizens and permanent residents, as well as non-citizens who hold relevant visas permitting work.

It also puts businesses that only engage workers who hold valid visas to work at a competitive disadvantage, leading to perverse incentives to stage as much development offshore as possible to avoid the requirements of the visa system.

On 15 October 2012, the former Minister for Immigration and Citizenship announced that the government would legislate to amend the Migration Act and clarify the situation regarding workers in Australia's offshore maritime zones to address the decision of Allseas. Following this announcement, the Department of
Immigration and Citizenship commenced a review on how best to do so.

The Migration Maritime Taskforce (the task force) was developed to conduct this review and explore options to determine the most appropriate way to ensure foreign workers in Australia's offshore maritime zones come within the ambit of the Migration Act.

The Allseas decision reduced the number of workers in the offshore resources industry captured by the Migration Act. This, combined with other limitations in the Migration Act's operation offshore, has left a significant gap in Australia's ability to regulate the conditions in its offshore resources industry and to regulate which foreign workers are employed on these valuable national assets.

The government is committed to maintaining the security of Australia's borders. Under the current legislative framework, the government has an incomplete picture of the number and identity of foreign workers in Australia's offshore maritime zones. This is in part due to the absence of a regulated visa scheme to capture those engaged in Australia's offshore maritime zones and the corresponding migration information.

This incomplete information has security ramifications. The June 2012 report of the Offshore Oil and Gas Resources Sector Inquiry recognised that visa security checks are one of the only ways Australia is able to examine non-citizen workers in this security-sensitive industry. While it recognised that visa character checks have their limits, in their absence, the government has no information at all about some of these workers.

During the development of its recommendations, the task force sought extensive advice to ensure that the bill would adhere to relevant international conventions relating to the Law of the Sea. In the context of international law, it has been confirmed that Australia has jurisdiction under the United Nations Convention on the Law of the Sea to apply its immigration laws to foreign nationals in the Australia's offshore resource industry.

There has also been extensive stakeholder consultation on this problem, with the offshore resources industry, unions and other Commonwealth agencies. More recently, the government has consulted on the findings of the task force and the issue which informed our decision to implement the recommendations of the task force. More consultation will follow as we engage with stakeholders to develop supporting regulations for this change.

There has been a lot of discussion on the best way to effectively address the problem of unregulated work in Australia's offshore resources sector. This bill deals with the practical actions that are necessary to create real, effective tools to deal with this problem.

This bill implements the key recommendations of the task force. The task force found that any question as to whether a person was in the migration zone or not should not be solely dependent on where that person was physically located but also dependent on the sorts of activities that person was conducting.

The amendments in this bill will regulate foreign workers participating in offshore resources activities by deeming them to be in the migration zone, which enlivens the requirement for them to hold a visa under the Migration Act.

In terms of selecting offshore resources activities, the taskforce recommended the development of a legislative solution that would comprehensively administer the activities of the offshore resources industry.

In addition to these two acts, the bill will create a power for the minister to make a determination in writing for the purposes of defining offshore resources activity.

This will provide the Minister for Immigration and Citizenship with the flexibility to declare certain activities administered by other regulatory schemes as offshore resource activities for the purposes of the new considered migration zone. This would include projects that take place in areas that are within the coastal waters of the states and the Northern Territory and not regulated at the Commonwealth level.

The legislative measures will supplement the current framework under the Migration Act which already includes Australian resources installations and Australian sea installations as part of the migration zone.

Together, this new comprehensive framework will ensure that workers in Australia's offshore resources industry are regulated under the Migration Act and required to hold specific visas. Individuals who engage in offshore resources activities in Australia's offshore maritime zones will be subject to existing compliance measures in the Migration Act that address breaches of work and visa conditions.

A specifically tailored visa pathway for offshore resource workers will be developed in conjunction with stakeholders to meet the needs of industry groups. It is proposed to prescribe this visa in the Migration Regulations 1994.

More consultation will take place as this visa is developed to ensure that industry gets the flexibility it needs while ensuring that Australian conditions are protected.

A series of sensible arrangements will be put into place, to ensure that the transition to the new framework is as smooth as possible. These include:

- a delayed commencement of these amendments until early 2014 to educate and consult industry and to provide industry with ample time to organise appropriate visas,
- granting special purpose visas to offshore resource workers in offshore maritime zones upon commencement for a limited time to regulate their migration status.

It is important to implement these changes as soon as possible to give certainty to the offshore resources industry and workers. The government understands that industry needs certainty as they develop commercial contracts and run their businesses.

Where there are skills shortages and the Australian workforce cannot provide the required labour in Australia's offshore resource activities, there will always be a need for foreign workers.

However, this need should not be allowed to undermine Australian working conditions and should not happen without the oversight of Australian law as is currently the case.

These are Australian resources and Australian jobs. The resources are governed by Australian laws, the jobs should be too.

I commend the bill to the House.

Debate adjourned.

**African Development Bank Bill 2013**

**First Reading**

Bill and explanatory memorandum presented by **Mr Ripoll**.

Bill read a first time.

**Second Reading**

**Mr RIPOLL** (Oxley—Parliamentary Secretary to the Treasurer and Parliamentary
Secretary for Small Business) (09:49): I move:

That this bill be now read a second time.

The African Development Bank Group, through its primary body—the African Development Bank—and its concessional lending arm—the African Development Fund—promotes sustainable economic growth to reduce poverty in Africa. The bank currently has 78 member countries, comprising 54 African and 24 non-African countries.

Africa is the world's most impoverished continent, with 400 million people living on less than US$1.25 a day. It is also the region least likely to meet the Millennium Development Goals.

Australia's aid program in Africa currently focuses on mining, governance, water and sanitation, food security and maternal and child health. Membership of the group will complement Australia’s current approach, as the group has strong experience in infrastructure development, governance and financial and economic reform.

The bank is majority African-owned, as bank rules mandate that regional members hold at least 60 per cent of shares, and so is a trusted partner of African countries. Strong shareholder confidence has been shown through members tripling their shareholding in 2010, lifting the bank's capital resources to around US$100 billion, and a 10.6 per cent increase in the fund's most recent replenishment, AfDF12 (2011-2013), with donors agreeing to total resources of US$9.5 billion.

This bill is an important step in Australia’s pursuit of membership of the African Development Bank Group, which the government announced on 17 July 2012. Australia is the only major OECD donor, and is one of only two developed G20 members (with Russia) that is not also a member of the group.

Why join the African Development Bank

In 2011, the Independent Review of Aid Effectiveness recommended that Australia join the group as it would represent value for money, and be a high-level indication of Australia's commitment to development in Africa. The government's 2011 response to that review, An Effective Aid Program for Australia, agreed in principle to the recommendation, subject to the outcome of a detailed assessment. That detailed assessment, along with the Australian Multilateral Assessment and Comprehensive Aid Policy Framework, from 2012, and the Joint Standing Committee on Treaties report from this year have all agreed that joining the group would have positive outcomes for Australia's aid program.

Indeed, the Joint Standing Committee noted that given Australia's membership of other multilateral development banks, 'It seems something of an oversight that Australia is not already a member of the African Development Bank.'

Working with the group will give Australia a chance to make a real difference in Africa. The bank works in areas that are critical to sustainable growth and poverty reduction in Africa, such as infrastructure and private sector development. Like Australia, the bank works in water and sanitation, focuses on fragile states, and is involved in promoting capacity and contributing to agricultural outcomes.

Working with the group will also provide Australia with the opportunity to engage in policy dialogue on key issues and to better understand how member countries see African development problems, priorities and issues.

Over the 2012-14 period, the group expects to deliver some very encouraging
results across its 54 African member countries, including:

- over 10.5 million people benefitting from new electricity connections;
- over 17 million people with improved access to transport;
- almost 18.5 million people with new or improved access to water and sanitation; and
- over 13 million people with better access to health services.

**Size of contribution**

To join the African Development Bank, Australia will purchase SDR59.1 million worth of shares, or around $88 million at current forecast exchange rates. This amount will represent just under 1.5 per cent of the bank's total capital stock, and rank Australia as the bank's 20th largest shareholder and ninth largest non-African shareholder.

To join the African Development Fund, Australia will also make an initial contribution to the fund of SDR107.9 million, or around $161 million at current forecast exchange rates.

Australia will also make ongoing contributions to replenishments of the African Development Fund, starting in 2014-15. The size of these contributions will be subject to future negotiation between donors and the fund.

All these costs are official development assistance and are drawn from within existing aid resources.

**The role of the bill**

This bill enables Australia to become a member of the group by authorising the government to make the payments required to acquire shares in the African Development Bank, and meet membership and ongoing subscriptions to the African Development Fund.

Becoming a member of the group requires Australia to become a party to the Agreement Establishing the African Development Bank and the Agreement Establishing the African Development Fund—both of which require the membership payments described.

Australia will also seek approval by all the bank's members of Australian membership and, following this and the passage of this legislation, the government will sign and then deposit the agreements with the Secretary-General of the United Nations. Payment of the membership subscriptions described to the bank and the fund will be the final step of acquiring membership.

**Conclusion**

Africa's role in the world is growing in importance, and Australia's membership of the African Development Bank Group is an important step in both supporting Africa's growth, and enhancing Australia's relationship with the group and its 54 current African members.

Membership of the group will place Australia in a good position to participate in and positively influence Africa's development as a continent through a respected and credible regional institution. Australia is well placed to develop a strategic, distinctive and productive partnership with the African Development Bank Group. I commend the bill to the House.

Debate adjourned.

**Intellectual Property Laws Amendment Bill 2013**

**First Reading**

Bill and explanatory memorandum presented by Mrs D'Ath.

Bill read a first time.
Second Reading

Mrs D'ATH (Petrie—Parliamentary Secretary for Climate Change, Industry and Innovation) (09:56): I move:

That this bill be now read a second time.

The key to our intellectual property system is striking the right balance between encouraging innovation and providing equitable access to new technologies.

A well-balanced IP system advances the interests of Australian innovators, by lowering business costs and by making it easier to access export markets.

It also allows Australians to provide assistance to developing countries when it is needed most.

And, to ensure that the balance is maintained, it is a system that has safeguards to ensure that intellectual property rights cannot be used to unduly restrict the community's access to new technologies.

The Intellectual Property Laws Amendment Bill 2013 contains a package of measures that will make the Australian IP system more responsive to the needs of consumers, more efficient for Australian entrepreneurs, and more supportive of other countries facing health emergencies.

Schedule 1—Crown use

Crown use is an important, but rarely used, safeguard that allows governments to access patented inventions without the consent of the owner.

It is necessary for a government to have the power to be able to make use of patented inventions to serve the interests of the community.

Similarly, a patent holder should not be able to indefinitely frustrate the needs of the community, for example, by denying access to an important health technology.

This bill will amend the Patents Act to clarify the scope of Crown use and its operation.

It adopts recommendations of the Productivity Commission inquiry report into compulsory licensing of patents, which found there was uncertainty around the scope of current Crown use provisions, particularly in the context of health care.

The review was one element of the government's strategy to monitor the impact of gene patents in the community and to make sure that such patents do not lead to Australians being denied reasonable access to essential healthcare technologies.

Let me now mention the main changes.

Schedule 1 of the bill makes it clear that Crown use can be exercised when an Australian state or territory government has the primary responsibility for providing or funding the provision of a service.

This allows governments to authorise private service providers to use an invention in areas where governments have primary responsibility, such as health.

It strengthens governments' capacity to use this safeguard to address unreasonable patent holder conduct.

If the government deems it necessary and appropriate to intervene to address unreasonable patent holder conduct that could result in patients being denied reasonable access to health care, it would be willing to invoke these refined Crown use provisions.

The bill also introduces a number of measures to improve transparency and accountability in the exercise of Crown use.
First, it will require government agencies to attempt to negotiate with the patent owner before invoking Crown use.

Second, it will address current ambiguity around which bodies are considered to be the Crown for the purposes of the provisions. This lack of clarity may limit the use of the current provisions, or result in the provisions being inappropriately used. The bill introduces ministerial oversight to ensure that Crown use is being appropriately exercised.

Third, it will require the government to give patent owners the reasons for any decision to invoke Crown use. In an emergency, such as a pandemic, the requirements for prior negotiation and a statement of reasons before use are waived to enable a timely government response.

Under the current provisions there is no basis for determining the remuneration to be paid to affected patent holders when Crown use is invoked. Lastly, the bill will introduce a benchmark to reassure patent owners that they will receive a fair price for the use of a patent.

The bill provides important balance—for industry in protecting patents, while enhancing the government's ability to ensure that the community's access to technology is not restricted. Crown use will remain an important safeguard to address exceptional circumstances. However, these amendments will ensure that there is clarity and accountability in its scope and operation.

**Schedules 2 and 3—TRIPS Protocol interim waiver and TRIPS Protocol: later commencing amendments**

The next two schedules will enable Australian laboratories to manufacture generic versions of patented medicines under specific conditions and export these medicines to address health crises in developing countries. Developing countries face enormous medical challenges. They are often unable to manufacture essential medicines themselves and cannot afford to purchase them through normal commercial means. The United Nations estimated that in 2010 approximately 260 million people were infected with malaria, HIV/AIDS or tuberculosis, resulting in 3.6 million deaths that year. Australians expect that the IP system will enable them to provide assistance where it is needed in the world and the Gillard government is responding. The bill delivers on the government's commitment to the Protocol Amending the World Trade Organization Agreement on Trade-Related Aspects of Intellectual Property Rights, also known as the TRIPS protocol.

The changes proposed by the bill enable manufacturers of generic pharmaceuticals to apply to the Federal Court for a compulsory licence to make and export a patented pharmaceutical product. The Federal Court will have the power to grant compulsory licences, set conditions of use and amend the quantity of medicines required in the event that a health problem intensifies. Patent holders will receive adequate compensation to ensure that they are not disadvantaged by the arrangements. The proposed scheme is open to all developing countries, provided they meet specified criteria. The scheme is designed to be as easy to use as possible, while complying with Australia's treaty obligations.

**Schedule 4—Plant Breeder's Rights Act 1994: Federal Circuit Court**

Schedule 4 to the bill will make amendments to the Plant Breeder's Rights Act to extend the jurisdiction of the Federal Circuit Court, formerly known as the Federal Magistrates Court, to include plant breeders' rights. At present, civil proceedings under
the Plant Breeder's Rights Act may only be commenced in the Federal Court and are appealable to the High Court. This can be a very expensive path. This amendment will deliver on a government commitment to provide rights holders with the option of a more speedy, cost-effective and less formal alternative for considering less complex plant breeders' rights matters.

**Schedule 5—Australia New Zealand Single Economic Market**

Schedule 5 to the bill allows for a single trans-Tasman patent attorney regime and single patent application and examination processes for Australia and New Zealand. These are part of a suite of intellectual property initiatives proposed under the trans-Tasman Single Economic Market agenda, and complementary New Zealand legislation is expected to be enacted in due course.

Currently, most patent applications filed in New Zealand are also filed in Australia but subject to separate examination processes in each country. Under the single examination model, patent applications for the same invention will be examined by a single examiner in either country. The regime will take account of the separate national laws and will lead to two separate patents for Australia and New Zealand. A single patent application process will remove duplication, drive efficiencies and reduce costs, making it easier for businesses to protect their intellectual property in both countries. The change will be good for Australian innovators and exporters, and avoiding a second examination process could save applicants hundreds or even thousands of dollars in professional advice costs. I understand that this is the first time that two countries have agreed to operate in this way anywhere in the world.

The bill will also facilitate a single trans-Tasman regulatory framework for patent attorneys across Australia and New Zealand. The Australian government has worked closely with New Zealand to establish a new framework that will include a single trans-Tasman register of patent attorneys, common qualifications for registration, a single Trans-Tasman IP Attorneys Board and a single Trans-Tasman IP Attorneys Disciplinary Tribunal. This is a logical and sensible step as the majority of Australian and New Zealand patent attorneys are registered in both countries. A single regulatory body will provide economies of scale, saving time, money and effort for the profession as a whole.

Standardised accreditation for patent attorneys will also give inventors confidence that they are receiving the same high-quality, informed advice on both sides of the Tasman. Removing barriers for patent attorneys and encouraging competition are key elements for productivity, innovation and industry growth for both countries. I understand that this is the first time that a profession will be jointly regulated across the Tasman in this way. This is a small but significant step forward for our economic relationship with an important trading partner.

These amendments will accelerate and strengthen trans-Tasman regulatory integration as part of the broader Single Economic Market agenda and build on our long-term commitment to create a seamless trans-Tasman business environment. I thank the New Zealand government for its support in this endeavour.

**Schedule 6 (Part 1)—Document disposal**

Finally, schedule 6 deals with two minor matters. Part 1 makes minor administrative changes to the Patents, Trade Marks and the Designs Acts to repeal unnecessary document retention provisions. The retention and disposal of these documents is already
comprehensively governed by the Archives Act 1983 and the records disposal authorities issued by the National Archives of Australia, and the amendments will reduce government expense in maintaining warehouse facilities for documents that are no longer required.

Schedule 6 (Part 2)—Technical amendments

Part 2 of schedule 6 makes a number of technical amendments to the Patents Act to address minor oversights in the drafting of the Intellectual Property Laws Amendment (Raising the Bar) Act 2012. The raising the bar act introduced a wide range of IP reforms designed to help Australian businesses and researchers.

Conclusion

In all, this bill represents an important package of improvements to Australia's intellectual property system. It offers practical help for global health emergencies, advances our commitment to achieve a streamlined business environment between Australia and New Zealand, and clarifies and improves the transparency of an important patent safeguard.

I commend the bill to the House.

Debate adjourned.

Australian Capital Territory Water Management Legislation Amendment Bill 2013

First Reading

Bill and explanatory memorandum presented by Ms Rishworth.

Bill read a first time.

Second Reading

Ms RISHWORTH (Kingston—Parliamentary Secretary for Disabilities and Carers and Parliamentary Secretary for Sustainability and Urban Water) (10:08): I move:

That this bill be now read a second time.

The Australian Capital Territory Water Management Legislation Amendment Bill 2013 is another step in the improvement of water governance in the Murray-Darling Basin. This bill will allow the ACT government to manage water abstraction on national land in the ACT, enabling the Commonwealth and the ACT to fulfil their obligations under the Murray-Darling Basin Plan, which was made in November last year. The management of water on national land in the ACT is currently a Commonwealth function.

The Australian Capital Territory Water Management Legislation Amendment Bill 2013 facilitates the implementation of the Basin Plan and will enable the ACT to prepare a Basin Plan compliant water resource plan. Under the Basin Plan the ACT is required to prepare a water resource plan that covers all the territory's water resources, as well as the Googong Dam. Googong Dam water resources, while managed by the territory for the purposes of supplying water to the territory, are a Commonwealth water resource located on New South Wales land. Through amendments to the Australian Capital Territory (Planning and Land Management) Act 1988 (PALM Act), the Water Act 2007 and the Canberra Water Supply (Googong Dam) Act 1974, this bill provides the appropriate legislative backing for the ACT to prepare a Basin Plan compliant water resource plan.

For over a century, the Murray-Darling Basin has not been managed with a basin-wide plan. This has resulted in environmental degradation, a lack of resilience and an ongoing layer of uncertainty for basin communities. Murray-Darling Basin reform has relied on a number of steps being taken: the National Water Initiative, the development of water markets, the Water Act 2007 and the making of the Murray-Darling Basin Plan last year. The
Basin Plan will restore the health of our rivers, support strong regional communities and ensure sustainable food production.

This bill amends the Australian Capital Territory (Planning and Land Management) Act 1988 (PALM Act), which regulates the management of land in the ACT, so the abstraction of water on national land is no longer managed by the Commonwealth government and can be managed by the ACT consistent with the Basin Plan.

Into the future, the abstraction of water on national land, as well as the abstraction of water by Commonwealth agencies throughout the ACT, will be managed by the ACT government under its Water Resources Act 2007. This will be achieved by amendments to associated Commonwealth legislative instruments so that all the take of water is covered by the ACT’s Water Resources Act 2007.

This bill also amends the Water Act 2007 to enable the Googong Dam area to be included in a water resource plan area for which the ACT has responsibility to prepare a water resource plan. These amendments, along with those being made to provide the ACT the power to plan for all water resources managed by the territory, will provide the legislative backing required for the ACT to prepare a Basin Plan compliant water resource plan.

This bill amends the Canberra Water Supply (Googong Dam) Act 1974 to ensure that the ACT executive has the necessary powers to fully manage the surface waters of the Googong Dam under the ACT Water Resources Act. The aim of this amendment is to ensure that all water resources under ACT control are managed under a consistent framework.

This change will not affect any agreements reached by the Commonwealth, New South Wales and Australian Capital Territory governments on the supply of water to Queanbeyan.

National water reform is an ongoing process and the making of the Basin Plan was a critical step forward in this regard. The reforms to water governance arrangements set out in this bill are another small but important step to help maintain the momentum towards improved water management outcomes and ultimately resource sustainability through the implementation of the Basin Plan in the ACT.

Cooperative, consistent and efficient management arrangements of water extraction within the ACT will have long-term benefits on the sustainability of water resources within the ACT.

I commend this bill to the House.

Debate adjourned.

Ordered that the second reading be made an order of the day for the next sitting day.

DOCUMENTS

Australian Law Reform Commission Report

Mr BUTLER (Port Adelaide—Minister for Mental Health and Ageing, Minister for Housing and Homelessness, Minister for Social Inclusion and Minister Assisting the Prime Minister on Mental Health Reform) (10:12): I table the Australian Law Reform Commission final report, entitled Access all ages: older workers and Commonwealth laws, and a separate summary of that report. Full details of the documents will be recorded in the Votes and Proceedings and Hansard.
Ms BRODTMANN (Canberra) (10:13): I rise in continuation of my speech on the Indigenous Education (Targeted Assistance) Amendment Bill 2013. The additional funding provided to ARTIE will allow for the implementation of the program in three primary schools in South East Queensland and for the expansion of the academy into two Townsville high schools at Kirwan and Pimlico.

Members of the House will be aware of my passion for education. In my maiden speech, and repeatedly since then, I have spoken of my own life being testimony to the truth that education is the great transformer. Education allowed me to escape the cycle of disadvantage, and I understand and appreciate its importance completely. That is why I so strongly support this government’s education reforms, particularly in the area of Indigenous education. The Labor government are determined to close the gap between the education results of Indigenous and non-Indigenous students and we are focused on investing in programs we know can lift results.

We are delivering an Aboriginal and Torres Strait Islander Education Action Plan in cooperation with the states, territories and non-government schools. We have invested $128 million to help boost school attendance, literacy and numeracy skills, strengthen the education workforce and provide extra resources to schools that are in most need of help through the education plan.

We will achieve the Closing the Gap target of ensuring all Indigenous four-year-olds in remote communities have access to early childhood education. We are also building 38 children and family centres as part of the National Partnership Agreement for Indigenous Early Childhood Development.

Under our National Plan for School Improvement, every Indigenous student in the country will be entitled to guaranteed extra funding, no matter what school they attend. This means an estimated total of $5.5 billion in public funding across Australia, which will be directed to specifically support the almost 200,000 Indigenous students in about 8,000 schools. In the ACT, this will mean $40 million in new funding for Indigenous students in Canberra, benefiting around 1,400 students in 117 schools.

This bill reaffirms Labor’s commitment to improving educational outcomes for Aboriginal and Torres Strait Islander students, families and communities. By funding targeted programs that are designed to complement and support mainstream schooling, this bill will achieve so much. I commend the bill to the House.

Dr STONE (Murray) (10:16): I, too, rise to speak on the Indigenous Education (Targeted Assistance) Amendment Bill 2013. This bill aims to increase the appropriations for some measures until 30 June 2014, in particular to boost spending for the School Nutrition Program, which caters for over 5,000 students in 65 schools selected in the Northern Territory. As well, there are to be an additional 200 teachers in the Northern Territory and new funding for the Achieving Results Through Indigenous Education project, which will be administered through the Sporting Chance Program, also funded through this bill. The problem is that this still only amounts to a series of one-year commitments. This is the third round of one-year ad hoc commitments. Imagine the lot of...
the individuals and their families employed in these programs—that is, the teachers, the administrators and the fieldworkers. They are trying to focus on their work but, every six months, they have to contemplate: where do we go to next, what new job application do we send off?

Think of the Indigenous children and their families who have come to expect nothing more than short-termism, a revolving door of ad hoc programs, new faces, new people, always one finishing, one starting up and with no expectation of continuity. This is the hallmark of a chaotic administration and of governments that pay only lip-service to assisting one of the most disadvantaged populations embedded in any developed nation.

Take the Indigenous Youth Mobility Program, which provides accommodation support for remote young people as they take up, say, a trade or a traineeship. First, Labor cut the program's funding, leaving students and their dreams of a better life stranded, leaving their families disenchanted and saying, 'That's what you expect.' But then the government replaced the funding a year later. So this is not only chaotic; it is cruel, given its impacts on young people's hopes and plans. We all know that the educational outcomes for all students have been deteriorating under the Labor regime. This is the case across the country and it is deeply shameful. But that is what the deeply flawed but much loved by Labor NAPLAN results show us. We now have the statistics to compare ourselves with developed nations in our Asia region and beyond. We are in an incredible situation where we see maths and literacy skills and learning are contracting over time, not improving. We are also seeing a widening gap between the most able students and students who struggle. On a national scale, translate that into the situation for Indigenous Australians, where many of them are living in extraordinarily remote communities, a long way from job opportunities and role models, with a range of different occupations and in families which may not have known work or which may not have participated in the modern Australian economy for two or three generations.

Quite clearly, we need to have an education plan and funding which is not short term and which is not one year at a time—'Let's see what's in the budget, let's see if we can throw a bit of money back at that program we cut last year' seems to be the thinking of the ministers responsible for Indigenous education in Australia. It is not good enough and it results in deeply disadvantaged, cynical and isolated individuals. Many of them, especially our Indigenous youth, end up in jail. They end up with thwarted life opportunities and with alcohol and drug consumption levels, which are dangerous to them and their children.

Two recent reports of the House of Representatives Standing Committee on Aboriginal and Torres Strait Islander Affairs—and I am deputy chair of this committee—addressed in particular this issue of young people and their educational opportunities in Australia and the failure of our education system for them. One is titled Doing time—time for doing: Indigenous youth in the criminal justice system. The other report is titled Our land our languages. Both these reports identified the terrible failures in the provision of formal education for Indigenous students. I have already mentioned the outcome for many of our Indigenous students is early engagement in the criminal justice system, particularly for boys.

Recommendation 9 of the languages report asked that, by March 2013, the Commonwealth government develop and
announce an implementation plan, given its endorsement of the UN Declaration on the Rights of Indigenous People. This endorsement was made in 2009. People on this side will not be surprised to hear that that deadline has well and truly passed and this government still has done nothing more than endorse this declaration, pay lip-service to it. The human rights of Indigenous Australians, in regard to them having access to the economy of Australia and having a decent life, are now just as remote for Aboriginal peoples as they were many years ago. The gap between the life opportunities and quality of life between Indigenous Australians and the rest of our society widens, whether that gap is measured in health terms, numbers in incarceration or numbers who are unemployed and who are therefore experiencing extreme poverty. Whatever way you measure this gap, it is growing in Australia and it should not be tolerated by a developed nations like ours.

That inequality and that gap can in particular be addressed through better education and training opportunities for Indigenous families, Indigenous Australians. This is what this bill is supposed to be about, but all it does is throw a little bit of money for one year at a couple of programs. This is a serious problem.

School for remote Aboriginal families in particular almost universally reinforces their sense of alienation and isolation from mainstream society. It reinforces their lack of power or lack of independent action after they have finished some schooling in remote Australia. An indication of exactly what most of our Indigenous children think about their schooling is in the levels of absenteeism. Most Indigenous students arrive at preschool or primary school in these remote settlements with a home language which is not your standard Australian English. These children may speak traditional languages, or a creole, a complex contact language. Our inquiry into languages and issues surrounding education in languages found that these children's languages were not identified at the time of their arrival as a little girl or boy full of hope and expectation on their first days at preschool or kindergarten or primary school. Typically they were expected to be speaking standard Australian English on the day they arrived and they were taught like that. They were not taught first in their home languages, and their teachers were not universally trained in teaching English as a second language. So these children began from their first day to be alienated and disadvantaged because there was a totally different set of expectations about what they were actually understanding in the classroom. Very often employed in that classroom, at a poor salary and with very limited career expectations, is an Aboriginal teacher's aide. She typically does speak the language of the children in the classroom but she is not the one instructing the children.

I have met so many bright and eager young people in small Northern Territory, Western Australian and Queensland outback schools who are approaching their final years at school and who, according to the data held by the school, have actually been in school for six, seven, eight, nine or 10 years but have no working knowledge in English-language speaking, and they certainly cannot write it. These young people want to get a licence to drive a car, they want to work in the mines, they want to play football for Collingwood—they have a whole range of expectations like any other young Australian. But they will be competing to get a job, to participate in our economy, with one hand tied behind their backs because the education system has completely failed to give them adequate English language skills.
It is one of the most important things to retain traditional or contact languages amongst our Indigenous communities, and as an anthropologist I understand that profoundly. But it is equally important to ensure that the young person is not marginalised or open to exploitation or disempowered because they cannot communicate in standard Australian English. This is, unfortunately, too often the consequence of eight, nine or 10 years of formal education for an Aboriginal student in their remote Indigenous school. This is pathetic and it should not be tolerated. We have recommendations in our report, *Our land our languages: language learning in Indigenous communities* from September 2012, when we brought down our recommendations about all these issues. We spelt out quite clearly what the federal and Northern Territory governments in particular should do. I am very sad to say, but you will not be surprised to find, that those recommendations have fallen on deaf ears.

Then we have the extraordinary situation of alcohol consumption in some of our Indigenous communities to the extent that women who are pregnant are still drinking, and so we have foetal alcohol spectrum disorder at a rate of prevalence in some Indigenous communities which means that a significant number of the young children are brain damaged, and have been brain damaged at birth. We are not addressing in our schools now this issue of how to support and give some instruction to those young children who are brain damaged as a consequence of their mother's consumption of alcohol when they were in the womb. Some communities in Western Australia have had prevalence studies completed in terms of the proportion of children affected by foetal alcohol spectrum disorder.

Let me say that the proportions of children affected are shocking, deeply shocking. Are those schools being given support in terms of special programs? Are they being given support from a multidisciplinary team which has everything from psychiatric to speech therapy to physiotherapy skills? No, they are not. We are just noting how many children have foetal alcohol spectrum disorder consequences. We are saying, 'That is bad.' We do not yet even have any program in Australia which brings the community's attention to the problem of drinking while you are pregnant. Yet here we are with a bill giving a few dollars for a year to a few Indigenous programs in schools, but we are ignoring the elephant in the room, which is that in some Indigenous communities up to half of the children have brain damage at birth. They cannot learn like normal children and yet they do not have an intellectual incapacity; they have a cognitive incapacity, so they understand profoundly what their own shortcomings are. One of the most tragic things you watch is a short film called *Tristan* where a young 10-year-old Indigenous boy from Fitzroy Crossing says: 'I just want to be normal. I would like to be a policeman but I just want to be normal.' What a tragic statement of yearning from a young boy born profoundly brain-damaged, with other physical disabilities as well, because his mother was drinking while she was pregnant without any support for her alcohol dependency while she was pregnant. In fact, that mother has other children with the same condition.

This government, I am very sad to say, still has not responded to the House of Representatives Social and Legal Affairs Standing Committee, which brought down a report late last year into foetal alcohol spectrum disorder in Australia. The recommendations that we put up were to be responded to by this government by the end of this month. We have heard nothing. I am hoping that we will be having a government
response to that report very soon, because too many young children in Australia—not just in the Indigenous communities but in the broader Australian community—are being born brain-damaged, with their capacity to learn severely impaired because their mothers were not aware of the dangers of drinking during pregnancy or because their mothers were addicted or had a drinking problem and have not been given any support during their pregnancies.

So I have many concerns. Having worked in the education sector in the academic training of teachers and in developing curriculum, and as an anthropologist and a person working in Indigenous communities for many years, I am deeply concerned by the limitations of this bill. Of course, the opposition will not oppose this bill, because at least it gives a few dollars to a few good programs, particularly the program which will feed little Indigenous children in the schools. But it is short-termism. This is just a one-year program commitment till June 2014. That is not good enough. That is an insult. It is disrespectful to Australian society, which expects the government to seriously address the disadvantage in Indigenous communities. From 14 September this year, I am expecting that there will be a real change where a different government will put the priorities for Indigenous Australians first and that we will begin to see a closing of the gap in educational outcomes, because nothing else will do for a nation which claims to be developed and caring.

Ms O’NEILL (Robertson) (10:31): I rise with considerable pleasure to speak on the Indigenous Education (Targeted Assistance) Amendment Bill 2013. Before I make my detailed remarks with regard to the bill, I take the opportunity to respond to the words of the member for Murray. While foetal alcohol spectrum disorder is something that is of concern to all Australians, I think it is very important that we frame it in the reality that this is going in all communities across Australia. It is not something that is exclusive to the Indigenous community; it is happening in all communities. It is happening in my community.

Dr Stone: That’s not what I said.

Ms O’NEILL: I know that that is not exactly what the member was saying, but I want to put it on the record that this is an issue across all communities and it is something that does require a careful response, because without the capacity to learn we know that the great enabler of Australian life, education, is something that people cannot participate in.

However, I note that the member for Murray, while claiming that this government is not doing anything substantial for the benefit of the Indigenous population of this country, is happy to have this legislation go through. I am pleased to hear that, because at least it is a sign of something positive—a little bit of support for what this program will offer. We hear about cutting and cutting and cutting to the bone from the other side. I am pleased to see that they are not going to oppose this, which will enable and support a community.

This bill is going to amend the Indigenous Education (Targeted Assistance) Act 2000, and it will increase the appropriation to reflect the inclusion of a very important program known as ARTIE, Achieving Results Through Indigenous Education. This particular program is being run by the Former Origin Greats, the FOGS organisation, which is a very timely thing for us to be talking about, as the blue and maroon contest is about to commence next week. The former State of Origin greats are using these sporting programs and cultural activities to really help Indigenous kids stay
at school and get an education. Critically, attending school is a vital part of becoming a citizen in the fullest sense: not just somebody who is able to work—and I note the comments of the member for Murray in that regard—but somebody who has the freedom that education provides—the freedom to think, to read, to move freely in the society and to participate in civic life at the highest levels. All of these things are enabled by people's attendance at school. So clearly this is a very important project.

On 10 December 2012, the Deputy Prime Minister and Treasurer and the Minister for School Education, Early Childhood and Youth, the Hon. Peter Garrett, announced an additional $4.43 million to expand the ARTIE academy. That might be called 'a few dollars' by the member for Murray, but I am sure that the community that received that and those who are giving their life's work to this cause appreciate that investment by the Australian people in the project that they have developed and that they want to get on with. The academy has a fine track record, kicked off in 2009 with six secondary schools. Through a continuous improvement program, it has established a model of learning that focuses on critical things that are not just about learning to do, learning to know and skill development but about ways of being as well. Through mentoring, tutoring and cultural understanding, they are supporting participating students in schools across South-East Queensland.

In 2010, the academy targeted 500 Aboriginal and Torres Strait Islander students, and the success of the program has led to it increasing to 1,500 students that are targeted in the period 2011-12. When we look at the success of this ARTIE program so far, there are 1,630 Aboriginal and Torres Strait Islander students who have completed their education. These numbers roll off our tongues: 1,630. But I know what that looks like at a school assembly. Eight hundred children in front of you is a lot of children. When we think about 1,600 young Australian Indigenous people whose lives have been improved by being helped to complete their school education through the ARTIE program, we have some sense of the profound change that that offers to communities and the profound change it offers to those individuals.

The additional investment that was announced in December last year means that the ARTIE academy is going to be funded for another four years in 21 schools in south-east and central Queensland and, importantly, two schools—Kirwan State High School and Pimlico State High School—in Townsville. I rise and celebrate these things in a state foreign to my own. Although I am the member for the seat of Robertson in New South Wales, I delight in the success of education for Indigenous people all over this country, because in a way I get to see it in my own seat in the institution that we have there, which is the site at which all those talented dancers come to the Central Coast: NAISDA, the National Aboriginal Islander Skills Development Association. Basically it is the equivalent of NIDA, which is for the training of our dramatic arts and actors. This is for the training of Indigenous young people in dance and the interpretation of culture. There is wonderful work going on there. I have met many young men and women from all over Australia who have benefited from exactly this sort of program where they live right around the country.

Indeed, one of the most interesting interactions that I have had at NAISDA was at the recent graduation ceremony, where I was asking each of the recipients of awards as they approached me, 'Where are you from?' and they were naming cities around the country and places that I could recognise.
Finally one young Indigenous woman named her Aboriginal country that she came from. Just as we are in the land of the Darkinjung, she identified herself as from that particular country. I thought, ‘Well, there is a lot of learning for me to do in terms of coming to an understanding of the great number of different countries of our Indigenous people throughout this land.’ I thought what a testimony it was to education that, here she is, expanding her skill set in a program supported and funded by the federal government—no doubt enabled by exactly the sort of funding that we are talking about this morning—to be able to do her best to own her identity as an Indigenous woman in her own right and to claim that and celebrate it. It was a very, very pleasurable experience for me, I can tell you.

I want to make a couple of comments in relation to the interaction of programs such as ARTIE and Sporting Chance funded under the IETA, which I will also speak to, in terms of our determination to close the gap. It really disappoints me that, in the time I have been in this parliament, every day at two o’clock, as important as the functioning of this parliament is around question time, I think at this point in history when we are aware of the incredible disadvantage between those born into Indigenous families and the rest of the Australian population in terms of length of life, the Closing the Gap reports that are given by both the Leader of the Opposition and the Prime Minister in this place and have been given every year since I have been here, draws such little attention from the gallery. Right now as we speak there is one dedicated journalist sitting up there—a very good one from AAP; they are a permanent presence in this place. But on the occasion of last year and the year before, when I looked up for the scrutiny of the media in response to the Closing the Gap statements—half an hour from the Prime Minister and a very good 20-minute speech from the Leader of the Opposition—there were two journalists this year and in the year before only one person was present and I am assuming that person was AAP.

If we are to indeed address the disadvantage that we know exists in this country, surely initiatives around Closing the Gap deserves our greatest attention. Even today in the papers we have heard a conversation about racist slurs that have been the focus of some considerable media attention in the last few days. I happened to hear this morning on my way to the parliament a statement by a young Aboriginal Aussie Rules player from Melbourne, who is unknown to me by name. He simply said that larrikinism is being used as a mask for racism. I wonder what the reason is for a failure to attend to Closing the Gap as a critical part of what this parliament is charged with doing in the time that we are here.

Despite that seeming lack of attention from agencies of the media in what I think is perhaps the most pressing responsibility for us to deal with as a nation in terms of access and equity and life, health, social and work outcomes, we continue as this government to invest in programs that we know work for our Indigenous communities. Through this bill we are once again reaffirming our commitment to supporting Aboriginal and Torres Strait Islander students and their families to engage in education.

I mentioned that one of the programs in addition to the ARTIE program is the IETA program, which includes the Parental and Community Engagement (PaCE) program. This program is a community driven program that develops very important partnerships between parents and the school. The program that the kids will be accessing most is often called the Sporting Chance.
program, which uses sport and recreation as a great way to engage kids. We know that it works, and it is wonderful to see that this investment is making sure that kids are engaged in healthy activity that engages them in school. The IETA also run an Indigenous Youth Leadership Program, providing secondary and tertiary scholarships to engage Aboriginal and Torres Strait Islander kids in secondary education, helping them to stay there so that they are successful and then able to move on beyond that into the tertiary setting. They also support and fund the Indigenous Youth Mobility Program, supporting Aboriginal and Torres Strait Islander youth from remote areas to move to the centres where they have a chance to get those vital skills to gain a qualification and get sustainable employment as it arises from that skill set development.

In the time that remains I would just like to get on the record the important interaction between the things that I have been talking about and the overarching framework that this Gillard government wants to put in place to improve education for every child, every young person in every school around the country. We know from the Gonski review that children who are born to families where perhaps their parents have not had great financial success and they are in a low-SES background have a disadvantage—we know that indigeneity is a significant disadvantage in terms of school outcomes; we know that being from rural or remote area can be a disadvantage. Because of those things we want to put more money into schools. I am delighted to say that Barry O'Farrell has actually shown great leadership on this, making sure that kids in New South Wales have a sporting chance of getting a fair share to ensure that they have a decent education.

Under the Gillard government's National Plan for School Improvement there will be dedicated extra funding for every Indigenous student in the country and it is called the Indigenous loading. Extra money will help schools focus even more strongly on improving the results that Aboriginal and Torres Strait Islander students achieve. Over the six-year transition to achieve this new school funding arrangement it means a very practical and significant investment: $5.5 billion in public funding to address what we know is an inexplicable gap between the success of children who were born to non-Indigenous families and those born to Indigenous families. For my state of New South Wales it is $1.3 billion for Indigenous students. That means 53,900 lives—53,900 students in 2½ thousand schools in New South Wales—will benefit from this investment in their education.

As a former teacher I applaud the work that my fellow teachers do and have done for so many years, but teachers need resources, and resources cost money—resources in the shape of people; resources in the shape of documents; resources in the shape of accessing the internet; resources in the shape of bringing in community, training community and supporting it, because each community needs to be able to respond in their own particular way. I certainly applaud the Indigenous Education (Targeted Assistance) Amendment Bill and I commend it to the House.

Mr TUDGE (Aston) (10:46): I rise to speak on the Indigenous Education (Targeted Assistance) Amendment Bill 2013. In some respects this is a noncontroversial bill because all it does is extend for a further year the funding of three particular initiatives. So the coalition will not be opposing this bill, but I do have some concerns about it which I would like to raise in the time I have available. I would also like to make some broader comments about Indigenous education.
My concerns about this bill are twofold: one in relation to the process and the other in relation to the content. Firstly, on the process, this is now the third time that the Labor government have introduced a bill very similar to this to extend the funding of these three programs for a further year, and it is simply not good enough. Programs which the government want to support should have funding for three or four years so that those programs can be embedded properly, not have annual extensions like what is occurring here. The reason they are doing that is because these programs were supposed to be brought into the fold of the broader school funding reform programs but, as you know, Madam Deputy Speaker Livermore, those school funding reforms have been taking months and months and months to bed down and we are still no closer to having a solution from this government. School funding reform is something that Labor have been talking about since 2004, when they last put up a school funding model. That is nine years ago now. Surely that is sufficient time for the government to put up an alternative, given that they dislike the existing model so much.

The second concern I have in relation to this bill goes to the content of it. This bill extends the funding of three particular measures: firstly, a nutrition program; secondly, additional teachers; and, thirdly, the Former Origin Greats program. In some respects these are all fine programs. But, like so many well-intentioned programs in this area, they chip away at the edges and have less systemic impact on what is a fundamental problem, particularly in remote areas of Australia. Yes, through this we will provide a breakfast program because kids are not being fed in the morning by their parents; yes, we will provide more teachers because the classrooms are in chaos and they need additional support; yes, we will get the Former Origin Greats to appear from time to time, which will hopefully inspire the kids to stay at school for longer. But none of these three particular measures will be decisive on the crisis which is occurring today and perhaps all of them address the symptoms of the problems rather than the underlying structural issues which are in play.

Let us look, for example, at the breakfast program. Yes, we need a breakfast program because kids are going to school hungry, and if they go to school hungry they are not learning as well. But the real issue here is the dysfunction of the families, such that they are sending their kids to school—if they send them at all—without having an adequate breakfast and without a packed lunch. That is the real issue. So we can put in this program today and we can feel good about putting in a program which ensures that the kids will receive breakfast and will have a lunch, which we want to occur, but we have to address the fundamental of the parents' responsibility. The danger is that if the government takes this responsibility for providing breakfasts and lunches then, over time, parents and entire communities start to believe that that is no longer their responsibility to provide—and that will occur within six to 12 months.

This is indicative of Indigenous programs across all remote communities. The breakfast program is one of those where, over time, people now expect it: 'I'm a parent but I don't need to feed my kids breakfast before school, the government provides that.' You see that in every aspect of individuals' lives where the government has taken away a responsibility from what are normal family or parental responsibilities. This is what we need to be addressing here. By all means, we should support a breakfast or lunch program, as we are doing here. But what we should be adding to that is a measure which says, 'If we're going to do that then, at the very least,
we should be insisting that the parents make a small financial contribution towards it,’ so that they know that it is still their responsibility to be doing that.

In some respects this overall philosophy goes to the heart of some of the issues in the remote communities where over time, and all for well-intentioned purposes, we have introduced measures which have reduced individual responsibility. That is why the great leader Noel Pearson talks about the right to take back responsibility. That is what he talks about, where we actually need to reduce the government impact and let individuals again be responsible for what rightly they should be responsible for. I think that this should be the lens by which we look at all programs which we put in place particularly in the remote communities. It is the lens of whether a particular program that we put in place either helps towards individuals taking responsibility or diminishes it. If it diminishes it then I think we need to take a second look.

More systemically, I think we need to be addressing the structural problems in remote Indigenous education. I see three broad structural problems. The first is family dysfunction, which means that kids are not being fed and are not going to school. The Cape York reforms, which I am very proud to have helped contribute to their formulation, have now got a mechanism which is making a difference in this area particularly through the Families Responsibilities Commission, which ties welfare payments to school attendance and to more properly looking after children. I think that type of measure could be replicated more broadly.

The second structural issue is the structure of schooling itself, particularly the teaching methods used inside the primary schools. We must use basic direct instruction methods that work. That is what we must be using, direct instruction methods that actually work, and we must banish this idea of culturally appropriate curriculum when it is another way of saying lower standards, which frequently is the case. Of course, culture can be taught as part of the school day but, most importantly, it needs to be taught at home and in community settings. School should be for learning: to read, to write, to do maths and to have imaginations opened.

The third structural issue is access to secondary schooling and, realistically for the remote context, that means boarding schools because there simply are not adequate secondary schools in those remote areas. This is why I have been critical of this government’s decision to cut last year, through this particular axe, the Indigenous Youth Leadership Program, which actually provides scholarship support for remote kids to attend good boarding schools in regional and urban areas. We need to be expanding scholarship support so that if parents want to take up the opportunity of sending their children to a good boarding school, in a regional or urban area, they can do that and they can financially afford to do so.

We have an emergency in remote Indigenous education. We talk a lot about crisis in this place but a real crisis is occurring in remote Indigenous education. In year 5 reading fewer than one in 10 remote students are passing the basic benchmark, and this is the basic minimum benchmark which we require of people for them to move on to the next year. In Queensland, the official statistics show that by year 9 students from remote areas are on average six years behind mainstream levels. That is the crisis which is occurring today and this bill, for all the good with these three small measures, will not make a demonstrable impact on that crisis. We need to be doing some fundamental changes to make a
demonstrable impact on that. I have met in remote communities people who are in their teenage years and who, when they have to sign a form, will sign with an 'X' because they cannot write their own name. That is the extent of what is occurring in some of these remote communities. If people cannot read, if people cannot write and if they cannot do basic maths, then we set them up for failure. We set them up for long-term welfare dependence and the poison which that brings—and we all know about this. Getting education right is so critical because if students get a good education, and if they have a loving family, then the world is their oyster. Every opportunity in Australia, or indeed across the world, is opened up to them if they have that good education and a loving family.

Let me finish, in the last few minutes that I have available, with a word of hope. There are great things occurring in remote Indigenous education but perhaps the one that shows the most promise is that occurring in four Cape York communities today through the Cape York Aboriginal Australian Academy. This has been the brainchild of Noel Pearson and I am proud to have played a small part in helping with his reform agenda over the years, including having been his deputy director for some time. He and the other Cape York leaders have revolutionised the school system in these four Cape York communities and it is truly remarkable. If you go to one of the four schools, even in Aurukun, one of the toughest places in Australia, boys and girls are at their desk, they are studying, they are writing, they are listening and they are absorbing every piece of knowledge offered to them. As the journalist Nicolas Rothwell from the Australian notes:

It is the dream that has seemed beyond realisation in recent years: a remote-area indigenous school where the students are bound for success.

That is what we can have hope about and in some respects what they are doing in those schools is radical compared to what is occurring elsewhere but is largely common sense when you think about it, because what they are doing is based on three essential principles. Firstly, that children are grouped according to their ability rather than their age, because, as you know, if kids are grouped according to their age you will have all sorts of abilities and if a kid has not mastered the content from the previous year he or she will not master the content in the next year and will become disengaged and fall out of schooling.

Secondly, no-one advances to a higher level until they have mastered the content of that level. That student is tested regularly—almost daily—to ensure that they are mastering the content and they go over it if they have not mastered it. That is basic, fundamental scaffolding.

Thirdly, lessons are tightly scripted such that teacher discretion is minimised. This means that in the remote area schools, where we struggle to get the very best teachers, it does not matter as much, because almost anybody can deliver those tightly scripted lessons and get terrific outcomes. This gives me hope in an area where the statistics suggest that there is very little hope.

So, we will pass this bill. We will let it through, but let's address the real issues in remote Indigenous education. Let's address the fundamental structural issues. The Cape York reforms and the reforms in some other areas give us some guidance as to how to do that.

Mr ZAPPIA (Makin) (11:01): The Indigenous Education (Targeted Assistance) Amendment Bill 2013 amends the Indigenous Education (Targeted Assistance) Act 2000 to increase the appropriation to reflect the inclusion of the Achieving Results
Through Indigenous Education project to be delivered as part of the Sporting Chance Program currently funded under the Indigenous education targeted assistance. The Achieving Results Through Indigenous Education Academy is run by the Former Origin Greats organisation and uses sporting programs and cultural activities to help Indigenous students stay in school and get an education.

The programs funded and delivered under the Indigenous education targeted assistance are complementary to mainstream schooling. By including the Achieving Results Through Indigenous Education Former Origin Greats project in the Indigenous education targeted assistance, we will be spending more money from the 2012-13 appropriation than we currently have authority for, and that is why this legislation is necessary.

Indigenous education lies at the heart of overcoming Indigenous disadvantage, just as it lies at the heart of overcoming disadvantage for any sector within the community. If we are going to improve the quality of life of the Indigenous people of this country and 'close the gap', as we often say, then a good place to start is through improving the educational outcomes. I have to say that over recent decades, there has not been a want of effort by governments of all persuasions to do exactly that. But the reality is that we still have a long way to go if we are going to achieve the kinds of results that we are all looking for. With respect to that, I just want to quote some statistics with respect to recent trends in detention that were highlighted in the 2012 Australian Institute of Health and Welfare report on juvenile detention population in Australia, because the statistics are quite pertinent to this discussion. I will quote the statistics from the report. It says:

There were 1,024 young people in detention on an average night in the June quarter of 2012 ...

Seventy-eight per cent of them were aged 10 to 17, which is a rate of .35 per one thousand young people aged between 10 and 17. Just over half of them—that is, 53 per cent of all those in detention—were Indigenous young people, and 91 per cent were boys and young men. The statistics go on to say:

- rates of young people aged 10–17 in detention remained around 0.35 per 1,000
- the Indigenous to non-Indigenous rate ratio increased from 27 to 31 times, with most of the change occurring in the most recent year

In other words, we appear to be going backwards with respect to keeping young Indigenous people out of our detention systems. In fact, that figure correlates with another statistic, and whilst it is some three years old now—I am referring to the deaths in custody statistics that were available for the year 2009-10; I believe that is the last year for which they were available—that statistic shows that there were 14 deaths of Indigenous people in custody.

That number is equal to the highest on record, to date. Whilst the numbers of deaths in custody had begun to fall after the commission of inquiry two decades ago, it would appear from the most recent statistics that they might be on the rise again. So we have two groups of statistics that I believe are very concerning, and very relevant to the bill that is before this parliament, because the bill that is before this parliament is about taking complementary initiatives to those already underway to try and reverse those very trends.

It is true that there are many initiatives that the government is supporting at the moment. Whilst I have picked up on the comments from the member for Aston that
we need to do a lot more, and that there are other things that we need to do, I want to
stress that the measures in this bill are only one part of a range of measures and programs that are currently underway across the country that are, indeed, making a difference and transforming the lives of young Indigenous people. They include programs such as the Parental and Community Engagement Program, the Australian Indigenous Education Foundation Scholarship Program, the Indigenous Youth Leadership Program, the Indigenous Ranger Cadetship program and the Stronger Futures in the Northern Territory national partnership.

All of these programs have an important role in trying to ensure that young people stay at school and complete their schooling. I note that the Stronger Futures in the Northern Territory national partnership program is one that will focus on attracting high-quality teachers to Northern Territory schools. That is terribly important. If we want kids to stay at school we need not only to push them into schools but to ensure that the teachers are available in those schools and that the teachers are quality teachers who know how to deal with the needs of the young people they are teaching. In addition, a new model for school enrolment and for an attendance measure have been introduced as has a school nutrition program, which we have heard others speak about. Again, all these measures complement each other.

Also, since 2010 the government has committed $2.8 million to the Governor-General's Indigenous Student Teacher Scholarships program. That program supports Indigenous students to take up a teaching degree. There can be nothing more inspirational for a young person at school than to have the person who is teaching them come from the same pathway as them. It shows them that it can be done. It gives them something to look up to and it encourages them because they know that it is possible.

Under the government's National Plan for School Improvement there will be dedicated extra funds for Indigenous students. And under this plan, the government has made it clear there will be additional funding for special needs. The needs of Indigenous students will be one of those special needs. An Indigenous loading will be applied for Indigenous students across the country. In my state of South Australia, the loading will be worth $300 million over six years and that will support some 10,200 Indigenous students. Across the country, the loading is worth $5.5 billion over the next six years and that will support some 200,000 Indigenous students. These are not insignificant commitments by the government of the day to try to address the issues that we know need to be addressed if we are to close the gap and give young Indigenous people a real chance in life.

We also know that involving Indigenous people in sports and cultural activities is one way that has been proven to be successful time and time again in keeping young people engaged in the education system. In my own community I have seen it. I represent an urban electorate but we have a significant number of Indigenous families who live in the region. I am familiar with the high schools in the area and the work they are doing to try to ensure that Indigenous students complete their education to year 12 and go on to university. They do that not just by carrying out what I would call normal school programs but by engaging the students in areas of interest, such as sports and cultural activities. We know that across the country there is plenty of evidence to show that that has made a real difference.

In December 2012, the government committed an additional $4.43 million to the
Achieving Results Through Indigenous Education program. That program now has the funding for a further four years in some 21 schools in south-east and central Queensland. The extra funding will also enable the Widening Success program to be expanded to three primary schools. This is an example of identifying what might work in a particular area and then providing the appropriate resources to ensure that the program can be rolled out.

I want to talk about that approach by governments across the country. I believe it is an approach that is being taken both by the Commonwealth and the state governments where they identify what is likely to work in a particular region or a particular area and then embark on the necessary program to ensure that the outcomes they want are achieved.

Earlier this month, the Minister for Higher Education and Skills came to my electorate of Makin and announced an additional $2.4 million for the Australian Indigenous Mentoring Experience program, AIME. This program operates throughout Australia, I believe, in about 15 different places and links high schools with universities in their area. It links them in two ways. If the high schools are in reasonable proximity to the university involved in the program, students from the high schools visit the university on a regular basis and mentors at the university guide them through the university system so that they become familiar with what to expect if they complete year 12 and go on to a university degree. The program also helps remote Indigenous students who do not have access to universities so easily. Those students will go to the city on a more infrequent basis but, again, they are linked with a mentor at the university and encouraged to attend university and shown the pathway to becoming a university student and gaining a degree.

These are the kinds of measures that I believe will make a difference and obviously are making a difference, and that is why the government is continuing to fund the AIME program across Australia. I welcome the additional $2.4 million that has been put into the northern region of Adelaide. The University of South Australia has embraced the program and will work with Indigenous young people in the area to try to ensure that more of those people go through to university. One of the great things about this program is that it links with a mindset that already exists amongst the high schools—that is, that they are individually doing what they can to mentor and guide Indigenous students within their high schools to ensure that they not only complete year 12 but go on to university. From my observations, those efforts are making a difference and we are seeing more Indigenous people attend the universities in South Australia as a result of those efforts.

This bill highlights the fact that if we are going to address Indigenous disadvantage then education is the key. It also highlights that there is no single solution to the problems that exist in the different communities across Australia. As a result of that, we need to bring together all the different propositions that are put to us by the communities around Australia who best understand what will work in their local regions. That is exactly what this legislation does. It complements the many programs that are already underway and that are making a difference, and I commend the legislation to the House.

Mr RANDALL (Canning) (11:15): I am very pleased to speak on the Indigenous Education (Targeted Assistance) Amendment Bill 2013. I do so because I have quite a determined interest in the issues which surround the targeting of this bill. The purpose of this bill is to extend funding for
assistance programs under the IETA for a further year and then reallocate some funds to other programs and initiatives. The bill does not provide for any new initiatives.

I will not go into the detail that Senator Scullion has put out in relation to the lack of regional targets, or just throwing money at numeracy and literacy programs. In fact, as he points out, it has gone backwards in some areas. I want to talk about the programs that work. In 2007 the Council of Australian Governments, or COAG, agreed to six targets for Closing the Gap between Indigenous and non-Indigenous Australians. It wanted to halve the gap in reading, writing and numeracy achievements for Indigenous children within a decade and to halve the gap for Indigenous students in year 12 attainment to equivalent attainment rates by 2020. As part of the actions linked to this targeting they had six priority domains: school readiness; engagement and connections; attendance; literacy and numeracy; leadership, quality teaching and workforce development; and pathways to 'real' post school options. Excellent!

I want to talk today about one of the programs that is really working in the area of sporting chance—that is, the Clontarf Foundation, based in Western Australia but now being rolled out throughout Australia. To put it on the record, this foundation is run by the CEO Gerard Neesham, who was a footballer who played for the Sydney Swans and was the inaugural coach of the Fremantle Dockers. After he was sacked after his time at the Dockers, as a schoolteacher Gerard decided he would do something in the Indigenous area. I know Gerard because I went to teachers' college with him—he was a year behind me—and so I have a relationship with him from our old days at Graylands Teachers College, where I rucked in the college football side. I used to put the ball down his neck and he would kick it to the centre half-forward and our full forward kicked a hundred goals that year—I digress.

As I said, the CEO is Gerard and the chair is Ross Kelly, who was also the chair of the Dockers. The reason I give this background is to show that we have people in the field who know this area rather well. Also, the patron of the foundation is the Governor-General. The Governor-General just recently launched this program that is before the House and many people attended. Unfortunately, the media did not attend and so it did not get the exposure that it should have.

This program started at the Clontarf school on Manning Road in Bentley well over 10 years ago. It started with just a handful of students. I have mentioned in the House before, so I will not dwell on it too long because of the time, that originally Phillip Ruddock went out and made sure that ATSIC, as it was then, handed over $30,000 that was owed to them and Brendan Nelson, as the then minister, saw that they received their first $100,000 and then their first million dollars. The program has rolled on since then.

I want to make sure it is fully understood that this program works because it encourages young Indigenous boys of high-school age to come to school, because they believe they are going to school to play football. They believe that, by going to school, they are going to become AFL stars. And there have been some AFL stars who have already come out of this program: Lewis Jetta is one at the moment who is playing AFL in Sydney. The reality though is that most of these boys do not end up being AFL stars—but it gets them to school.

We know that by getting young Indigenous boys to school they can turn their life around and, by turning their life around, they are not involved in crime or any dysfunctional or
antisocial behaviour which is far more costly than sending the boys to school under the Clontarf program.

Clontarf then rolled itself out from the original campus. By the way, the Queen visited this program during her jubilee year visit to Perth. She was photographed, not bouncing the ball but holding the ball up for the boys, in the middle of the football oval. It helped to celebrate the great work that is being done over there. But the program was rolled out throughout Western Australia. As I have said in this place before, Clare Martin, then the Chief Minister of the Northern Territory, invited the Clontarf Foundation to roll this program out through the Northern Territory. Now, they have 54 academies around Australia. The template worked because they have great mentors whom the boys respect, from football backgrounds, and they have good quality staff to see that the boys are well catered for when they get to school.

I say the template works because it has gone from AFL to New South Wales, where they are using it in rugby. Dare I say, the member for Parkes told me recently he has had four academies in his electorate—the largest one is in Moree—and they are really achieving some fantastic results. There is a guy named Smiley Johnson, a well-known Indigenous rugby player who is helping to mentor this program there.

There are four academies in Victoria. There are none in South Australia because the South Australian government has not invited them there, though there are overtures from the Queensland government to take this program there. However, there is something stopping this—and you know it is funding. I will get to that in a moment. It costs just over $7,000 for each boy to be in this program. The funding model is this: they rely on one-third of their funding from the federal government, one-third of their funding from the state government and one-third of their funding from the corporate world. But everything hangs on the federal government funding because they cannot get the states to get on board unless the federal funds flow.

Of course, the corporates are saying, 'We are happy to pay our third, but we want to see the other moneys first.' So you have Goldman Sachs, BHP and a whole range of large corporates like Fortescue who willingly put their money into these programs. People bag the billionaires in this place but they are all behind this program. Twiggy Forrest is making sure that the Indigenous boys are not only funded through his company but that they get jobs there afterwards.

At this stage they are short of funds to roll this program out any further. In New South Wales they are already there in rugby. They could actually take another 5,000 boys. At the moment there are 2,850 boys in this program and they could extend this to an extra 5,000 Indigenous boys in New South Wales alone. That is going to cost $35 million. They need a third of that from the Commonwealth government. They have been making overtures. I give Minister Macklin her due. She has been working well with the people in Clontarf to assist, as did Kevin Rudd as Prime Minister, as has Julia Gillard Prime Minister, but there is a bit of a block when it comes to the education minister's office. They have a submission in there to expand this program and I understand they are being told, 'We cannot do anything, we are waiting for Gonski.' So everything is on hold in terms of any future expansion because they have been told that the submission is sitting in the minister's office and they have not had a response on it. That is disappointing because every one of the boys who ends up on this program achieves some fantastic results.
Let me give you just one of the results. Part of the Indigenous targeting was about school retention. They say Indigenous school retention rates are improving. The retention rate from years 7 and 8 to year 12 has improved from 40.1 to 47.2 per cent in 2010. That is good. But under the Clontarf program the retention rate is 90.27 per cent with an attendance of 76 per cent—well and truly above the national average, isn’t it?

Recently, I was fortunate enough to go the launch of a program in my electorate at Coodanup Community College. Can I say that all these programs are attached to an existing education institution, generally a secondary school. Coodanup Community College is in a pretty tough area. Demographically, it is tough. It is in the paper so I do not mind saying that a group of 14-, 15- and 16-year-old Indigenous boys were involved in a murder of a man at Mandurah. This is the crime that happens if you cannot get yourself to school and get into a decent program.

The principal at Coodanup, Vicki McKeown, has allowed Clontarf to attach themselves to the school. The academy director is a guy called Craig Callaghan, who is a former Dockers footballer. The program was launched with the boys there with a whole lot of people and supporters, including the local mayor, Paddi Creevey, in attendance. Beautifully, a young Indigenous guy called Jayden Grazier was the MC. He was conducting the whole event for the launch. He proudly told us that he had 100 per cent attendance at the academy. Isn’t that fantastic? A young Indigenous boy who probably would have been lost to the education system unless he had the ability to be at Clontarf.

The Clontarf program has the opportunity to grow. That is why they need more funds to do that. I heard the member for Makin, whose heart is in the right place, talking about other programs. But that is the problem with this Indigenous funding: it is sprayed around everywhere. We will have 15 sites here and a trial there. Many of these do not work. Without mentioning names, there are some high-profile Indigenous ex-footballers who are receiving bucketloads of money to run programs. Essentially, they give themselves and a few of their mates a job and they drive around and talk to a number of Indigenous kids in different areas but there is no real program that goes with it.

This Clontarf program is one that works. It achieves fantastic results. For example, 300 of the boys that are in the program at the moment are in year 12. One in four Indigenous boys in year 12 in Western Australia are in the Clontarf program. It gets them to school and keeps them at school. A lot of these boys never make it as AFL footballers. This program then links them to a job and that is the key, so they have a transition from year 12 into employment.

This week the Financial Review covered the CEO of Qantas, Alan Joyce, at the Clontarf academy saying that Qantas are going to be a vehicle for allowing boys to go and work at Qantas as ground crew in Perth. They are not only going to help back the academy—that is part of the corporate funding—but they are going to see the boys go from these academies into work with Qantas. The north has QantasLink fly in, fly out, so there is a lot of work for boys, not just on the mines but in infrastructure and transport and all those sorts of areas. It is fantastic to see someone like Alan Joyce getting on board.

I not only recommend maintaining the funding for Clontarf academy but I am also taking Tony Abbott out there, as soon as I am organised, to go and see this program as Brendan Nelson did when he was minister,
to say this program needs further funding. I know there is not going to be a lot of money around but I suggest that some of the programs that are not working might want to be closed down or downsized so that more money can be put into Clontarf because it has this model that will not only deliver kids to school and out of trouble but into a job afterwards. It will save a generation of young Indigenous boys who would have been vulnerable had it not been for programs like Clontarf.

Mr OAKESHOTT (Lyne) (11:29): I rise to speak in support of the Indigenous Education (Targeted Assistance) Amendment Bill 2013. It is not going to fix all ills but it is yet another step forward on a very long journey which has been touched on by many other speakers. It is timely, with an Indigenous round of sport just having happened and several events having happened over this weekend that have put issues of race front and centre of a lot of people's thinking. My only comment on that by way of introduction is that I hope we all respect the comments made by the players who have spoken. I think in both examples—Collingwood and the Sydney Swans—representatives of community have spoken and shown real leadership in the words they have used. From my point of view: more power to them, in the way they represent themselves and their communities.

The other reason for wanting to speak is that, having listened to the debate, I have to call into question some of the arguments being used. The education data in Australia is segregated, and there are real issues in regional Australia, in Aboriginal Australia and in poor Australia. I am pleased in many ways that that is acknowledged by many of the speakers in this chamber. But the member for Aston used that as some sort of argument against this bill or some sort of argument about the lack of effort from government to try to deliver the 'demonstrable change' that is needed. Then why on earth would that same speaker be going against a new funding formula in school education that delivers exactly that—demonstrable change—with a specific loading that addresses the 'intolerable link' between the funding formula in education and the education data that we all agree has problems.

This is not a problem of Aboriginal Australia. It is patronising that that is used in this chamber as some sort of argument against Aboriginal Australia: 'I met an Aboriginal and they could only write their name X. And that is a big problem.' And we go home and quaff our wine and sit around our table amused. That is patronising. It is patronising to say this is a problem of remote Australia in education and a huge failure of others. It is patronising to say the poor people of Australia are failing in education. The failure is us in this chamber. The failure is in the funding model itself that has led to these outcomes in education, in these three clear categories: poorness, rurality and Aboriginality.

I know lots of people are running around saying: 'Gonski! Gonski! What is Gonski?' The whole point of Gonski is that it blew the whistle on the failure of the funding model itself and the intolerable link—an exact quote from the Gonski work—between the funding formula and the education data that is seeing huge segregation in Australian education and huge segregation as a consequence in Australian society.

So, yes, the education data is a problem. It is a problem for Aboriginal Australia in education outcomes, for poor Australia in education outcomes and for rural and remote Australia in educational outcomes. Where does the blame lie? In this chamber right now.
Why on earth we are having a funding fight and a political fight over the funding formula has me beat. Here is the opportunity for demonstrable change. Here is the opportunity to finally deliver on the principle of equity and here is the opportunity, with loadings in the funding formula, to address the failures in the education data. Here, finally, is the opportunity for us to do some nation building.

The people using the data against legislation such as this, and using it in the manner of, 'Oh, woe is everyone else,' and 'Oh, isn't it terrible what is happening with Aborignes'—come on! Here is the chance to actually address something in a substantial way, based on evidence, based on facts and based on actually providing a solution to the problem that has been identified, which is this intolerable link between education performance and education outcomes and the funding formula that has led to those gaps of around 30 per cent when you slice and dice education data in those particular categories.

So I hope the hard and detailed work that the New South Wales education minister and the federal education minister, who is now at the table, have done can at some point soon be committed to by all members in this chamber based on the failures that everyone is recognising in the education data.

This is one step in the journey: a bit of targeted assistance for some sports programs. It is not the whole journey. The big work is the political fight of the moment over Gonski, which is really about blowing open this intolerable link that exists. It has to change. It should not be a political fight. I hope both the New South Wales Nation Party education minister in his visit to Canberra this week can be listened to. And I hope that the data, common sense and evidence can also be listened to.

I also make the point that this is timely legislation, because only yesterday the Joint Committee of Public Accounts and Audit, a bipartisan committee, delivered a report on leadership in Indigenous coordination programs at a Commonwealth level, and it made an important recommendation. The lead agency FaHCSIA does great coordination work in this area with both mainstream and targeted programs, but there is a failing. That failing is the desperate need for leadership from FaHCSIA and from the Commonwealth to do more than just coordinate—to lead. I think the worry that is being expressed by the committee is that within the agencies in Canberra FaHCSIA may not have the power and the authority to really drive a leadership agenda that we are all wanting to see in improving not only education outcomes for Aboriginal Australia but also programs across the board. So this bill is timely, as an opportunity to say that once again, and to hope that all members in this chamber push FaHCSIA or any other bodies, such as the PMO, to really take a strong leadership role in the coordination of programs of assistance for Aboriginal Australia.

The bill also gives me the chance, once again, to talk about spatial data. I remind the House where Aboriginal Australia lives. When you look at where Aboriginal Australia lives, you see that more than 50 per cent of the population is on the east coast between Sydney and Rockhampton. It is lost in the mythology at times that Aboriginal Australia is only remote or very remote—it is only Cape York; it is only the Northern Territory. I remind the House that Aboriginal Australia and the majority of the Aboriginal population is on the east coast, living in the best parts of Australia—from a parochial point of view, like many others—and quite often there is a difference between where programs from this chamber are targeted and
where money is spent versus where the majority of the population lives.

We can all argue the toss, for example, over the rights and the wrongs of the Northern Territory intervention and the number of programs from the Commonwealth into the Northern Territory. I just take the chance once again to remind the House that there are plenty of issues, plenty of challenges and plenty of opportunities to target programs for the majority of the population of Aboriginal and Torres Strait Islander Australia, and it is in that window, on the east coast, from Sydney to Rockhampton, where there is a need for more attention, more resourcing and more support if we are really serious about tackling issues in the majority of the sector involved.

The final point I make is one of grabbing this legislation and shamelessly endorsing the recognised campaign. Only last Sunday, the Minister for School Education, Early Childhood and Youth, the Leader of the Opposition, Minister Macklin, the Attorney-General, the shadow minister for Indigenous affairs and I—and many other members of parliament as well as many artists and celebrities and plenty of the Melbourne community—all started the Long Walk with Michael Long, the AFL player who is on the journey from Melbourne to Adelaide after which they are all cutting up through to Darwin over the next three or four months and finishing, I understand, at the Garma Festival. It is an extraordinary push to try to get Australia excited about what Australia should be excited about, and that is dealing with the open wound in our lead document, trying to take the opportunity to remove 'race' from our Constitution and undergoing the difficult exercise of finding some words to celebrate 40,000 years of history and not just a couple of hundred years of our history.

I take this opportunity to endorse that and wish them well, and I invite as many people as possible listening—either within this chamber or via radio or any other means through the House of Representatives broadcasting—to have a look at the Recognise website and do what you can to reflect and think about the importance of this bipartisan referendum question that is coming in the next couple of years. It matters. It matters for Australia, and it will be a huge opportunity missed if we do not progress on that correcting of the record.

Mr GARRETT (Kingsford Smith—Minister for School Education, Early Childhood and Youth) (11:42): I thank members in the House for their contributions to this debate on the Indigenous Education (Targeted Assistance) Amendment Bill 2013. I particularly note the most recent comments by the member for Lyne—recognising the responsibility that this parliament has not only to make absolutely sure that we do everything within our powers to assist the endeavours of young Aboriginal and Torres Strait Islander people both in education and more broadly but also, in doing that, to identify how crucial it is that we do have a national plan for school improvement in place, a major part of which is focused specifically on addressing those levels of disadvantage that prevent students reaching their full potential and which, sadly, are still too prevalent in Indigenous communities.

I also respond to the comments from the shadow minister who, it seemed to me on considering his remarks, was almost talking down Indigenous education and the efforts of the many dedicated educators across Australia. In his remarks around the Indigenous Youth Leadership Program—a government initiative providing secondary scholarships to Indigenous students; often kids from remote and very remote locations—he made a number of comments.
I need to make it clear that the program has not been cut; that the program is continuing; and that in 2012 the government prioritised Indigenous education in the Northern Territory by providing additional funds to support initiatives such as more teachers, school nutrition program for students and the like. It was made clear at the time, and publicised in the budget papers, that there was not a reduction in funding for Indigenous education. In fact, the budget ensured that current scholarships remained funded and that 210 new scholarships were funded for 2013. This was also done at a time when the government had provided $22 million for the very successful Australian Indigenous Education Foundation, an organisation which in some ways parallels the Indigenous Youth Leadership Program—again, an organisation which also provides alternative secondary education and tertiary options for Indigenous students.

More recently, we announced an additional $10 million which the government has provided for the Australian Indigenous Education Foundation. That announcement was made this year, as well as the government's decision to provide an extra $12 million to the Indigenous Youth Leadership Program to support an additional 204 scholarships in 2014.

This government recognises the important role that organisations such as the AIEF play. I was very concerned about the previously reported remarks of one of the Leader of the Opposition's staff in relation to that foundation. But the fact is that there is a suite of measures that are necessary to support and deliver, to ensure that young Aboriginal and Torres Strait Islander students get the very best opportunities that they can for education and that they are supported in their education journey, because they certainly bring in many instances a heavy weight of disadvantage with them.

Remarks have been made by some members opposite about the performance of Indigenous students in NAPLAN. It is important that we put on the record how Aboriginal and Torres Strait Islander students are performing in relation to the national testing. The fact is that we have seen an increase in performance over the 2007-2011 period, but the 2012 result was disappointing. That may, in part, have been due to some of the community unrest in places such as the Warlpiri Triangle in the Northern Territory. Certainly, in those schools during that period of unrest and community concern about issues unrelated to education, many young people did not actually attend school for different durations.

The fact is that, if you look at the longitudinal data that is in the final section of the 2012 NAPLAN report, it is showing us that across years 3, 5, 7 and 9 in both reading and numeracy, between 2008 and 2012, Aboriginal and Torres Strait Islander children gained in reading and numeracy achievement at a higher rate than the total Australian student body. I have previously mentioned this in the House, but we have also seen good gains as well, proportionally, in year 12 attainment—in other words, the number of Aboriginal and Torres Strait Islander students concluding year 12 and consequently being much better prepared for further study, work or vocational training.

It is absolutely true that we must do more now as a matter of national urgency to ensure that Indigenous school populations are better supported in their school setting, are able to achieve their potential and that the significant gap that still exists between the education results of Indigenous and non-Indigenous students is closed.

That is why the Gillard government's National Plan for School Improvement, a funding model which would deliver
resources on a needs-based funding model across the nation, is so crucial. Under the government's plan we would see about $5.5 billion of total public funds directed to support approximately 200,000 Indigenous students in about 8,000 schools. That is absolutely essential. It is not only about the figure itself, important though that is, but also about the targeted investment of those sums to ensure that there is certainty in the provision of support and programs in schools to enable Aboriginal and Torres Strait Islander students to get better education under their belt as they journey through school.

We have specifically identified in that National Plan for School Improvement the requirement for the implementation of personalised learning plans for every Indigenous student. It is a way of ensuring that the student, their teacher, school leaders, their parents and community—in many cases, aunts and uncles—are well aware of the progress that the student is making and are well placed to build on progress or to seek additional support or action if progress is faltering.

That is particularly important when students move, as they may do, from one school to another. It is particularly important because sometimes young Aboriginal and Torres Strait Islander kids bring a significant degree of disadvantage into the classroom. Ensuring that each student's education progress is carefully monitored, understood and supported is one of the important elements in lifting the performance of these kids nationwide.

Other things need to happen as well. Amongst those is engagement with community, which is focused on the child's learning and on supporting the child as they learn in school. Many studies point to how important a feature of Indigenous education this is and, again, under the National Plan for School Improvement that should and could be given effect to.

When we talk about the National Plan for School Improvement we can look at the different loadings that apply to provide resources to school communities. Whether it be the Indigenous loading itself or the loadings for remoteness, school location or socioeconomic status background, all of these can and should apply and would apply to significant proportions of Aboriginal and Torres Strait Islander students.

Unfortunately, at the moment the opposition is simply sticking with a broken system, trying to persuade states not to sign on to the National Plan for School Improvement, notwithstanding that the New South Wales Premier, Barry O'Farrell, has taken that step in the interests of his state. And, as of about 55 minutes ago, I am pleased to be able to report to the House that the Australian Capital Territory, too, has now determined that it will join the Commonwealth in a new National Plan for School Improvement. I pay tribute to Chief Minister Katy Gallagher and to her government for taking this step on behalf of the students of the ACT.

But still we have an opposition leader and a shadow minister who are opposed to the National Plan for School Improvement and the additional investment that it can and would deliver into schools, particularly to schools in regional and rural Australia, including schools that are schooling Aboriginal kids, whilst at the same time sticking with a broken funding model that would see fewer resources going to schooling over time. It is a very clear choice. If we are serious about education, we need to get this National Plan for School Improvement in place and underway.
The passage of this bill amends the IETA act to increase the legislative appropriation for the period January 2012 to January 2014. The increased appropriations will enable the School Nutrition Program and the 200 additional teachers, both education components of the Stronger Futures NT national partnership, to now be administered under IETA. It also allows the Achieving Results Through Indigenous Education, or ARTIE, student engagement project to be administered through the current IETA Sporting Chance Program. I know that members on both sides of the House had reflected on what an important program Sporting Chance is, and that is certainly true.

The Indigenous Education (Targeted Assistance) Act has seen a focus on improving the education outcomes of these most educationally disadvantaged students and Aboriginal and Torres Strait Islander students. The programs that are funded under IETA generally have supported greater engagement for Indigenous parents, particularly through a program that members would know, the very successful Parental and Community Engagement Program, the PaCE program, that has seen about 500 community-based projects around Australia. It is a good program and I certainly commend it very strongly to the House. It enables communities to have a hands-on role in education of their children, and where these projects have been supported they inevitably prove valuable in making sure that kids stay at school, focus on their work and obviously have better prospects when they get through high school out into the world at large.

Student engagement in education has been supported through the Sporting Chance Program. In 2013 we will have delivered more than $58 million supporting 75 programs assisting over 13,000 students. Other programs that are supported include the Indigenous Youth Leadership Program, which I referred to at the beginning of my remarks. The Indigenous Youth Mobility Program supports young people from remote areas to move to centres where they have a chance to get qualifications and obtain sustainable employment. These are set to continue. The amended act will ensure that we continue to address the most difficult barriers to education that Aboriginal and Torres Strait Islander students face, which is attendance and being engaged in school.

To conclude, I affirm this parliament's strong and necessary responsibility to make sure we do everything within our powers to assist, both in the provision of resources and robust policies, young Aboriginal and Torres Strait Islander students in the education system and more broadly. The fact is that for most of these young people education is literally a passport out of poverty, and we have an extraordinary responsibility as a nation to make sure that these, who are amongst our most disadvantaged young people, are given the support they need to be the very best that I know they can be. I commend the bill to the House.

Question agreed to.

Bill read a second time.

Message from the Governor-General recommending appropriation announced.

Third Reading

Mr GARRETT (Kingsford Smith—Minister for School Education, Early Childhood and Youth) (11:57): by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.
BUSINESS
Orders of the Day
Mr HAYES (Fowler—Chief Government Whip) (11:58): I move:
That order of the day No. 1, Private Members Business, relating to penalty rates be returned to the House for further consideration.
Question agreed to.

BILLS
Voice for Animals (Independent Office of Animal Welfare) Bill 2013
Marine Engineers Qualifications Bill 2013
Reference to Federation Chamber
Mr HAYES (Fowler—Chief Government Whip) (11:59): by leave—I move:
That the bills be referred to the Federation Chamber for further consideration.
Question agreed to.

Sex Discrimination Amendment (Sexual Orientation, Gender Identity and Intersex Status) Bill 2013
Report from Federation Chamber
Bill returned from Federation Chamber without amendment; certified copy of bill presented.
Bill agreed to.

Third Reading
Mr DANBY (Melbourne Ports—Parliamentary Secretary for the Arts) (12:00): by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

Private Health Insurance Amendment (Lifetime Health Cover Loading and Other Measures) Bill 2013
Second Reading
Cognate debate.
Debate resumed on the motion:
That this bill be now read a second time.

Mr CIOBO (Moncrieff) (12:00): I am certainly pleased to have the opportunity to rise to speak to the Private Health Insurance Amendment (Lifetime Health Cover Loading and Other Measures) Bill 2012 and the Private Health Insurance Amendment (Base Premium) Bill 2013, because these bills represent the continued assault by the Australian Labor Party on private health insurance and, more broadly, on the Australian community and in particular those that have the wherewithal and the ability to provide for their own health care through private health insurance. We know, and have known for a number of years, that the Labor Party has a philosophical opposition to private health insurance. We know the Labor Party's entire underpinnings are built on socialised medicine, and we know that, where possible, the Labor Party, in my view, would like to close down the private medical system.

Mr Jenkins: Oh!

Mr CIOBO: We have made that claim, and I note groans coming from the member opposite, but unfortunately Labor have form in this area. The Labor Party might groan about it while they sit in the chamber and they might like to pretend that in some way they have even passing interest in private health insurance, but the simple reality is that it is not supported by the facts.

I took the opportunity to run through some of the historical comments made by the some of the senior members of the Australian Labor Party. Nicola Roxon, on 24 February 2009, said in The Age:
The Government is firmly committed to retaining the existing private health insurance rebates.

Kevin Rudd, in a press conference on 25 February 2008, shortly after he was elected as Prime Minister of the country, said:

The Private Health Insurance Rebate policy remains unchanged and will remain unchanged.

Kevin Rudd said further, in a letter to the Australian Health Insurance Association in November 2007:

Both my Shadow Minister for Health, Nicola Roxon, and I have made clear on many occasions this year that Federal Labor is committed to retaining the existing private health insurance rebates, including the 30 per cent general rebate and the 35 and 40 per cent rebates for older Australians.

There are many examples of what Labor has said historically. Some might even remember the Prime Minister of the country standing and saying down the barrel of the cameras, six days out from the last election, 'There will be no carbon tax under a government I lead.' But, unfortunately, what is endemic—and some might even say, in keeping with the health analogy, pandemic—across the Labor Party is an inability to remain consistent or to tell the truth when it comes to policy positions of Labor. As with each of these statements from senior Labor figures and as with the current Prime Minister of the country, who said, 'There will be no carbon tax under a government I lead,' the simple reality is that you cannot trust this divided and dysfunctional government to remain true to its word.

Labor have at their core a philosophical problem with private health insurance, because they have at their core a philosophical problem with private health full stop. Do not just take my word for it. The former Leader of the Australian Labor Party Mark Latham belled the cat when he wrote in his diaries about the current Prime Minister's pathological obsession with tearing apart private health insurance. I quote from a letter to the editor from Julia Gillard in The Weekend Australian of 15 October 2005. Among a number of points in her letter, she says:

The claim by the minister—and at that stage that was the current Leader of the Opposition, Tony Abbott—is completely untrue and should not have been reported as if it were true.

That claim was that Labor were going to tear apart the private health insurance rebate. I go on quoting the current Prime Minister:

The truth is that I never had a secret plan to scrap the private health insurance rebate, and contrary to Mr Latham's diaries, do not support such a claim.

She goes on:

For all Australians who wanted to have private health insurance, the private health insurance rebate would have remained under a Labor government. I gave an iron-clad guarantee of that during the election.

So we know that even Mark Latham, the former Leader of the Australian Labor Party, was concerned about the current Prime Minister's view on private health insurance. But once again there were the dulcet tones of the current Prime Minister—I am being generous, perhaps—making the claim that Labor had no intention to do anything about private health insurance or in any way to erode private health insurance.

But what do we know now? After six years of Labor—after they have had the ability to demonstrate their ironclad commitment to private health insurance and have had the opportunity on a repeated basis to demonstrate how fundamental they believe the private health insurance rebate to be—we have seen six years of erosion of support for private health insurance. Labor have taken every opportunity they have had to in some way remove or erode support for
private health insurance. The bills before the House today are simply the latest nail in the coffin when it comes to the private health insurance rebate and support for private health insurance across Australia.

A number of people would say: 'Why is this so important? You Liberals and Nationals—the coalition—seem to be so obsessed with private health insurance.' The reason it is important is because, unfortunately, following six years of Labor, we have a situation that has arisen where Australia's debt profile has gone from having no debt and $20 billion surpluses under the coalition to now having debt that is reaching $300 billion and, more concerningly, is forecast in the forward estimates to reach close to $400 billion. The Labor Party have racked up over $190 billion worth of deficits since they were elected. The reason this is germane is because it goes to the very sustainability of Australia's health system. Private health insurance is important and support for private health insurance is important because the more people there are with private health cover, the more Australians that utilise the services of private medical practitioners and auxiliaries, the less demand is placed on the public health system.

We already have a problem in my city of the Gold Coast, Australia is sixth-largest city, where ambulances are frequently forced to do what they call 'ramping'. There simply is not the ability for the current public system on the Gold Coast to cope with the demands on the public health system. So people who are critically injured will be in an ambulance approaching the hospital and, if they are not as critical as someone else, they are just left in the ambulance on the ramp at the hospital until such time as the hospital is able to cater to that particular individual. That is meant to be a modern-day health system under Labor!

Although the Campbell Newman government in basically the 12 months since they have been elected have taken major strides towards dealing with the problems that they have inherited after nearly 20 years of state Labor government in Queensland, the reality is that it is going to take some time to repair all the damage that Labor did to our public health system at a state level. We do not have capacity for Australia's sixth-largest city to deal with the current demands on our public health system.

So what is the genius of federal Labor's approach? What have the rocket scientists over on that side of the chamber come up with? I know: let's further erode incentives for people to have private health insurance, so we push more and more people onto the public health system! That is the genius of federal Labor—more people in the public system! They are already ramping ambulances at hospitals. We already cannot cope with demand on the public system. We already see instance after instance after instance of people waiting for four, five, six hours in emergency departments to be treated, and Labor say: 'We'll push more people onto the public system. That's our great plan.' It takes a particular genius and vision to suggest that this is in fact the way forward! But this is Labor's approach. We knew that it was going to be Labor's approach because in their beating heart, when it comes to their philosophical direction on private health insurance, Labor do not like private medical. They want one big public health system and we are all treated the same and everybody is one of the comrades and we all go into the public system and we are dealt with there. That is the vision that Labor has for public health in this country. That is the reason why at every possible opportunity Labor pick away at the support that was built up over years by the
coalition to encourage Australians to go in to the private system.

When the coalition was first elected—this is going back obviously quite some time—the percentage of Australians with private medical cover was quite low. We saw with insurance under the previous coalition government through the various reforms that the coalition put in place—the private health insurance rebate, the Medicare levy surcharge and Lifetime Health Cover—the number of people with private health insurance increase 75 per cent, from 6.1 million Australians to over 10.7 million Australians. It was 6.1 million Australians at the start of the coalition's period in government and 10.7 million at the conclusion of the coalition's period in government. What does that mean? It means that we had over 4.6 million people shift from the public system to the private system.

I stress that those 4.6 million people still pay their taxes to fund the public system, but they, of course, reduce their utilisation of the public system. They fund it but they do not use it, because they take advantage of paying additional premiums to use the private system. That was the track record of the coalition. Over the past six years, though, as I have indicated, Labor has picked away at the support for private health insurance so that more and more of those people shift back on to the public system. So at the very time that Australia is experiencing a fiscal emergency as a consequence of this government's reckless and wasteful spending, Labor are pushing more and more people into the public system so it is going to cost taxpayers more and more money.

We know and we have seen the kinds of frankly rabid solutions that have been put forward by the Greens with respect to private health insurance, so I am not surprised that some of that has infected the Labor Party in terms of this pathological objection to providing support for private health insurance. But the reality is that there is a good public policy reason for it. Under the bills before the House today we are going to see the rules change once again. Under Lifetime Health Cover the coalition put in as part of the incentive was a two per cent loading for each year that someone did not have private health insurance once they reached the age of 30 up to a maximum of 70 per cent loading. What we said was that, in this instance, if someone then took out private medical cover, after a period of 10 years that loading would be abolished. In addition to that, we provided the rebate on the full amount of the premium, including the loading.

Now Labor is picking away at that, so that someone who may, for example, in good faith, have been at year 9 of paying their private health insurance, about to see the abolition of the loading, now, thanks to the proposed changes that Labor is going to put into effect, all of a sudden the goalposts have shifted and that person continues to be faced with the loading. The consequence, once again—entirely predictable, very straightforward—is that people will drop their private cover and shift back into the public system.

I remind all Australians that next time they go to the hospital, if it is an emergency, and they sit there waiting for four, five, six, seven hours, they can thank the Australian Labor Party for that wait. Labor's policies are making it worse because they drive more and more and more people onto the public system. In essence, what we see are the consequences of poor economic management. If Labor had not racked up more than $190 billion worth of deficits, if we did not have debt soaring towards $400 billion, then we would not be forced to have policies like these which extract every last
The coalition has a proud track record of providing support for Australians who want private health insurance: to reduce their premiums, to encourage people towards private health insurance, to encourage people who pay their tax for the public system to also get just a little bit of support when it comes to their private health insurance. Labor is not interested in that. Labor cannot afford to do it. And the fundamental problem now is that our ability to provide that support has been effectively completely destroyed by Labor's wasteful spending over the past six years.

Mr HAWKE (Mitchell) (12:16): I want to acknowledge the member for Moncrieff's elegant contribution in relation to budgetary management. It is certainly the case that we are here today witnessing a government producing a series of very bad budgets, with consequences for the lives of all Australians. But it is not just bad budgets that produce the bills that we see before us, including the Private Health Insurance Amendment (Lifetime Health Cover Loading and Other Measures) Bill; it is the ideological crusade that the Labor Party have been on for some time to rewrite key fundamental planks of Commonwealth legislation so they are of their own ideological making.

There is no doubt the Labor Party believes in the stick approach to government rather than the carrot, not recognising that human behaviour best responds to incentives and not to punishments. We do need a system of incentives in Australia to ensure that we have a complementary health system where we have both a public system and a private system. For the Labor Party to continually set up health care as a battle between public and private systems is to the detriment of both systems. It is very important that the government provide proper incentives for people to pay for their own health care, and to pay for as much of their own health care as they can afford. That system produces a better outcome not just for people with private health cover but for the public system as well. As former minister Martin Ferguson said last night, we have to grow the pie in order to share it. He made an elegant point as a member of the Labor Party in saying that we have to grow that pie to share it better. That means a bigger private health system, with more people who can afford it paying for it, to enable people who cannot afford it to use the public services. The points that we see in this legislation in the dying days of this government are exactly along this approach: rewrite legislation in a way that suits their ideological agenda, which has always been antithetical to private health insurance in Australia.

What is wrong with private health insurance in Australia? In my electorate about 86.5 per cent of people have some form of private health insurance. It is a great figure. It is a figure I am proud of because people are making a contribution to their own health care, investing in it and ensuring that the burden is not put on people in areas who can afford it less. The biggest concern with this legislation before us today is that premiums will rise as a result of it. We estimate that in some cases the rise could be up to 27.5 per cent from 1 July. That is a big premium increase and a big cost-of-living increase. Who will be affected by such an increase in private health insurance premiums the most? It will be those low-income earners and families on lower incomes who put aside money for their private health insurance to take care of their families the best way they think appropriate. They will feel the biggest impact of the government's measures at a critical time in
our economic cycle. No wonder we are here today opposing it.

We are certainly concerned about the affordability of private health insurance in general and about the operation of private health insurers with the increased complexity and red tape that will be brought in if this bill is passed by the House. There is no doubt that the government has a view to rewrite key Howard government measures. Lifetime Health Cover was a key Howard government initiative which came into effect on 1 July 2000. We understand it is a loading on private health insurance premiums applied at a rate of two per cent for every year that an individual is over the age of 30 when they take out hospital cover, and a cap of 70 per cent is applied. This measure was always intended to ensure people take out private health insurance at an early age and maintain their cover. It is a worthy objective and it has had reasonable success.

In the Senate inquiry into this measure, the Department of Health and Ageing, the government's own advisers, stated that statistics from the Private Health Insurance Administration Council indicate that Lifetime Health Cover has had a positive effect in supporting private hospital membership, with an 18.7 per cent increase in the number of 30- to 34-year-olds taking out private hospital cover since its commencement in July 2007. So, as a policy mechanism, even the Department of Health and Ageing are saying, 'This is working—this is producing people in the age category of 30 to 34 increasing their private hospital cover and supporting them to carry it through into older age.' It is a measure that is delivering. But, of course, we understand that the government has no respect or regard for measures that work if those measures disagree with its ideological position. We have seen that in relation to the border protection regime put in by the Howard government—measures which were changed because of an ideological difference and which altered a functioning legislative framework and produced the disastrous results we have seen.

What consequences will be felt by the private health providers, what consequences will be felt by those in the 30- to 34-year-old category, what consequences will be felt by the public health system when the government, for purely ideological reasons, comes along and says, 'This measure is working pretty well, but now we want to alter the very system that is producing 18 per cent more 30- to 34-year-olds taking out private hospital cover of their own volition and maintaining it?' It is very disturbing. It is one of the reasons we are very concerned about the government's approach to private health, never mind that the Prime Minister and Labor members opposite repeatedly ruled out before the elections that they would have any agenda to do such a thing.

We always knew they would have this agenda. We have always said Labor have an anti-private health insurance agenda and that they see it as the enemy, not as complementary with the systems, and they do not see them as complementary systems—as they should be regarded—and as beneficial to each other. They have a view that private health insurance is to the detriment of public health and that they will take measures in government to undermine the viability of private health—and that is what we have seen. We do know that the Prime Minister has a penchant for breaking promises and certainly this represents another set of broken promises from the Labor government. They say one thing before an election and do another thing after.

At the moment there are about 10.7 million Australians who have hospital cover and the government's already existing
changes to private health insurance are having an effect. The government's Private Health Insurance Administrative Council found that in the five years to 2012—that is, from 2007 to 2012—'exclusions and restrictions may have become much more prevalent and that the increased use of exclusions may work against the policy objective of private health insurance in easing the burden on public hospitals'. That is from the government's own Private Health Insurance Administrative Council. So where are the government members to defend this measure today and say this is a great measure and this is what we need? Well, they have run out of speakers. There is a certain shame that comes with this measure coming into the House because many government members know that this could potentially increase the burden on the public hospital system.

We have certainly seen federal Labor spending approximately a billion dollars to establish 12 new bureaucracies which appear immune to cuts while funding for private health insurance and public hospitals and dental health has been slashed. I want to highlight again that our main concern is that these changes in the bill to Lifetime Health Cover will increase premiums in the private health insurance industry and, according to reports, by up to a third. It is a very concerning figure.

It is the case that the coalition strongly supports private health insurance. This bill, which was introduced last year, also has many concerning features in its provisions which could add complexity to the private health insurance sector as well as raise those premiums by up to a third. We certainly do not support the Lifetime Health Cover component of this bill. As for the insurance reforms, in the form of the rebates, the Medicare levy surcharge and the Lifetime Health Cover, I saw that the number of people in this country with private health insurance increased overall by about 75 per cent, from 6.1 million to over 10.7 million, in recent years and I think that figure is a very important one for the House to note. So that is an increase from 6.1 million to over 10.7 million of people with private health insurance.

Again, as the government's own body points out, the reduction in burden on the public sector from that resultant increase is probably unable to be modelled. This is at a time when if you go to any state government and ask them, 'How is your public health system going?' they will say: 'Well, the pressures are extreme, the burdens are high, the costs are getting out of control. We don't know how we are going to meet our future demand.' So why would the federal government, at the Commonwealth level, seek to introduce legislation to increase the burden on the public health sector? It makes no sense. One of the best things we can do at a Commonwealth level is provide a system of incentives to allow people, those who otherwise would not afford it, to have their own private health insurance and to seek to use that as much as possible and thereby relieve the burden on those state systems. So why we have this legislation before us today can only be put down to the ideological belief of those opposite in government that their ideology that there should be no private health insurance system, is better. But, of course, what we know from practical experience throughout the country over many years is that the complementary nature of the public and private systems produces the best benefits for everyone in this country and it needs to be strongly supported.

We as a coalition are aware of the budgetary pressures that exist. That is the reason why the Leader of the Opposition has rightly said that we will support the government on its cuts to the budget
whatever form those cuts take, because we are in such a perilous situation. An emergency created by the Treasurer of his own making—and of the government’s own making—over the last five years has put us in the position where we have to support measures that save us from a budgetary crisis, so the coalition is stuck in a position where we do strongly support the private health insurance sector. I do hear the voices of my constituents when they raise extreme concern over what the government is doing to our country, both in a budgetary sense and in a private health insurance sense. However, we have agreed to support cuts. This is not an approach that a coalition government would ever take. This is certainly not a measure that you would ever see from a coalition government. You will see measures from a future coalition government that support the private health industry and ensure we have a complementary healthcare system in Australia between the public and private systems. We do not see government as a system of punishments in legislative form but always as one of incentives to ensure that people can access the best benefits possible.

Mr IRONS (Swan) (12:28): I rise to speak on the Private Health Insurance Amendment (Lifetime Health Cover Loading and Other Measures) Bill 2012. I have spent a great deal of my time as a member of this place talking about issues surrounding health. As the Deputy Chair of the Standing Committee on Health and Ageing for over four years, it has been an area that I have taken a special interest in and also since being in parliament. I know from all of the people in my electorate that I speak with about this issue, as well as the many individuals and stakeholders I have met and spoken with through my committee work, that it is a policy area of critical importance to millions of Australians. When it comes to health, Australians simply want better outcomes—not excuses and not broken promises but better outcomes. That is why I find it so disappointing when I hear members from the government side so often contributing to this debate based on the politics of envy. Instead of viewing these issues with a focus on better health outcomes, government members revert to type and turn even health care into divisive class warfare pitting different members of the Australian community against each other for political aims.

This approach of the government on this topic reflects the chaos that they have often found themselves in over the past five years. We have seen health ministers and Prime Ministers come and go over this period in what history will look upon as one of the worst if not the worst governments in Australia’s history.

As reflected in the bills before the House today, most of the government’s policy has been driven not by wanting to improve our health system but by fiscal desperation after years of wasteful government spending and, as the member for Mitchell said, by ideological policy.

In the weeks leading up to the recent budget, we witnessed the government trying to convince the Australian public that they were innocent victims of circumstances; that revenues for the Commonwealth had inexplicably collapsed. The government’s explanation for their poor performance is quickly refuted by looking at the real numbers over the past five years. Revenue has increased by $80 billion while spending has increased by $120 billion, thus bringing us from a roughly $20 billion surplus in the last year of the Howard government to the $19.4 billion deficit announced by the Treasurer in this year’s budget.

CHAMBER
This is a government with a spending problem not a revenue problem; that is plain for all to see. The immense waste of this government has put pressure on all areas of government, as good public policy is put aside while the Treasurer desperately tries to get the budget under control; not by the next parliament but the one after that.

The bills before the House today are yet another example of that waste. Commonwealth government health expenditure already stands at about $62 billion, or 16 per cent of government outgoings. As is well documented, we face a range of demographic and medical challenges that will lead this expenditure to grow in real terms as it has consistently done over the past decade in Australia.

The state of the budget under this government represents the biggest threat to our health system over the next decade with the Treasurer delivering the five biggest deficits in Australia's history and gross debt pushing the $300 billion debt ceiling. The need for increased spending on health, combined with an environment where our budget position is extremely weak, is of great concern.

What is infuriating about these proposed changes and the state of the budget is that, while the government are content to rip money out of private health insurance, they have still managed to find room in the budget to fund a $10 million advertising campaign for Medicare Locals in the period leading up to the September election. When money should be invested in front-line services, this government manages to revert to politics and an obsession with political survival above all other considerations.

The government's focus should be to get every possible dollar away from the excessive administration of bureaucratic function and redirect it to patient services. What they have done over the past five years is increase the number of statutory agencies in the portfolio and the number of government funded entities, and increased the number who are employed in the portfolio by nearly 30 per cent, whilst government cuts have adversely affected patients, clinicians and the hip pockets of everyday Australians. These 12 new agencies have cost around $12 billion to establish, and appear immune to cuts, whilst funding has been slashed for private health insurance, public hospitals and dental health through the closure of the chronic diseases dental scheme.

This fiscal irresponsibility and the misguided priorities of this government bring us to the latest changes to private health insurance. Lifetime Health Cover was introduced by the Howard government in 2000 as part of reforms that significantly increased private health insurance coverage across Australia. Lifetime Health Cover is a loading on private health insurance premiums that is applied at a rate of two per cent for every year that an individual is over the age of 30 when they take out hospital cover, with a cap of over 70 per cent applied. This policy setting is intended to ensure people take out private health insurance at an early age and maintain their cover. The second component of this bill ceases direct claiming of the private health insurance rebate through the Department of Human Services known as the incentives payment scheme.

The coalition has long understood the important role the private health system can play in reducing pressure on the public system. Reduced pressure helps keep spending pressure under control so that policymakers can target more resources to those most in need, and therefore deliver better outcomes for patients. The previous coalition government's private health
insurance reforms in the form of rebates—the Medicare levy surcharge and Lifetime Health Cover—saw the number of people with private health insurance increase 75 per cent, from 6.1 million to over 10.7 million. This is a trend the current government has recklessly sought to undo, and the bills before the House today are just the latest attack on the private health system.

The $386.3 million saving from this bill is in addition to savings of $2.8 billion resulting from means-testing changes to the private health insurance rebate that were implemented on 1 July 2012. As outlined at the start of my speech, these changes have been announced in an environment of fiscal emergency. The Prime Minister and Labor members over many years repeatedly ruled out any changes to the private health insurance rebates. Through MYEFO and means-testing changes, Labor's broken promise on private health insurance amounts to nearly $4 billion. That is $386 million through changes in this bill, $700 million from limiting the government contribution to the rebate by a maximum of CPI, and $2.8 billion from means-testing. Of course, all this is framed around a dated class war campaign by Labor. Labor is wrong to imply that private health insurance is for the rich. Five point six million people with private health insurance have an annual income of less than $50,000, and 3.4 million have an annual household income of less than $35,000.

From Langford to Belmont to South Perth and Salter Point in my electorate, these changes unnecessarily increase cost-of-living pressures and are hurting many hardworking families and individuals in my electorate of Swan. During a campaign to save our local GP clinic in Belmont last year, my office received hundreds of calls from patients desperate to have their health services protected. I know that, when the government makes policy at the expense of front-line services, it is people like Dr Sri and Dr Pang and their thousands of patients who feel the brunt of these costs.

In a letter to the editor of the Hobart Mercury on 2 September 2004, the Prime Minister—then the shadow minister for health—wrote:

I grow tired of saying this—Labor is committed to the 30 per cent private health insurance rebate.

Well, Prime Minister, Australians are growing tired of broken promises and the lack of integrity with which this government goes about its business.

Many Australians from lower and middle-income brackets use private health insurance. In my electorate of Swan, 79 per cent currently have private cover. That is over 89,000 individuals. They are all paying the price for Labor's irresponsible budgets and broken promises on private health insurance. The remainder of my electorate, who rely solely on the government system, are also hurt as increasing costs in the private system force more and more people back to the public system, further crowding our hospitals and increasing pressure on front-line services. Cost-of-living increases in WA are biting already due to the mining tax and the carbon tax. Labor's broken promises on private health insurance are making it even worse. Whilst the government is paralysed by its obsession with political survival, I hear every day of the hardship these changes place on real people in my electorate—people like Eric Van Der Kooij from Wilson, James Donnelly from Cloverdale and Sue Ball from Como. These individuals, as well as tens of thousands in my electorate who rely on our health system, are being hit with extra costs.

The government's changes to private health insurance are already having an effect.
The government's own Private Health Insurance Administration Council, PHIAC, have announced:

... in the five years to 2012 that exclusions and restrictions have become much more prevalent. They have also noted:

... the increased use of exclusions ... may work against the policy objective of private health insurance in easing the burden on public hospitals.

In addition, the full effects of Labor's means-testing changes are yet to be felt. PHIAC have reported $1.2 billion in prepayments in the June quarter as people try to defer the resulting premium increases. Many policyholders prepaid for 12 months or more, delaying the pain of Labor's cuts.

Public hospitals are already struggling under a $1.6 billion cut to the hospital funding in Labor's MYEFO. This includes retrospective cuts to public hospital funding that has already been spent and allocated in 2011-12 and 2012-13. It has caused the closure of public hospital beds and operating theatres and delays to elective surgery. The government has since announced the reversal of its position, but only for Victoria, further adding to the chaotic policy environment.

It is reported that changes to lifetime health cover in this bill will increase premiums by up to 27.5 per cent on 1 July 2013, a direct hit on lower income Australians. The change will add extra complexity to the private health insurance system. The means-testing change has already created around 21 different pricing structures for premiums. These increases in the administrative burden are being implemented with only a short time frame for private health insurers to change systems by 1 July 2013, further increasing their costs for compliance.

Presently the Lifetime Health Cover loading is removed after 10 consecutive years of hospital cover. Once again, the government is changing the rules. There will be people who make household spending decisions based on the current policy and who will be close to having their loading removed having paid the loading in good faith and abiding by the appropriate rules. Now they could be hit with a 27 per cent premium increase and forced to drop their cover.

Unfortunately for Australians, this government takes a highly ideological approach to this policy area. Regardless of outcomes and regardless of the clear benefit of reducing pressure on the public hospital system, this government is yet again reducing incentives for Australians to invest in private health insurance. The changes can only be bad for Australians, as lower-income patients are priced out of the private system and our public system suffers from the increased burden.

The coalition supports private health insurance. This bill adds more complexity to private health insurance and will raise premiums for Australians on lower incomes. It will force more people to drop down their level of cover. It will add to the cumulative effect of Labor's attack on private health. The coalition will oppose the changes to the Lifetime Health Cover. The coalition has been listening and we stand ready to make a difference. If we have the privilege of forming the government after September our priority will be to invest where we can best benefit patients. We cannot undo Labor's damage from day one. There is no money in the bank to immediately reverse the cuts or right their attacks. It will be through restoring Australia to good economic management that the careful investment in our health system can be made into the future and the right outcomes achieved for my electorate of Swan and all Australians.
Mr McCormack (Riverina) (12:41): The Private Health Insurance Legislation Amendment (Base Premium) Bill 2012 debate is important and once again underlines the Gillard Labor government's rank hypocrisy and incompetence. Private health care is a vital service to this nation and something which often fills the void in our public hospital system. Like my coalition colleagues, I am deeply concerned about Labor’s attack on private health care. The changes that this bill seeks to enact will affect the Lifetime Health Cover provision, which was enacted by the Howard government 13 years ago. The Lifetime Health Cover is a loading on private health insurance premiums which is applied at a rate of two per cent for every year when someone over the age of 30 years takes out hospital cover. A cap of 70 per cent is applied. It is designed to ensure people take out private health insurance at an early age and maintain their cover.

Presently, the government pays the private health insurance rebate on the value of the total premium paid by the policyholder, including the LHC loading component. A second component of the bill ceases direct claiming of the private health insurance rebate through the Department of Human Services incentives payment scheme. This will take effect on 1 July 2013. The explanatory memorandum states that very few people access the rebate through the scheme and 99.9 per cent of rebate claims are said to be made by way of the premium reduction scheme or through tax offset claiming—that is if you can believe that. The $386.3 million saving from this measure is on top of savings—call it 'cuts'—of $2.8 billion resulting from means-testing changes to the private health insurance rebate implemented on 1 July 2012.

The Howard government sought to ensure that people take out private health care at an early age and maintain their cover; yet the Labor government is seeking to claim the savings announced in the most recent Mid-Year Economic and Fiscal Outlook by attacking private health care and those the Lifetime Health Cover sought to benefit. This is after Labor and the Prime Minister herself repeatedly ruled out any changes to the private health insurance rebate. Through announcing these changes and through means-testing, it looks as though private health insurance rebates are another broken promise from this broken Labor government.

We are only debating this today because the government is rushing this legislation through the parliament. Haven't we heard that time and again—Labor rushing legislation through this parliament! This bill was introduced only in the last sitting week. Because of this government's desperation, it has denied the opposition the ability to properly consider the legislation—and obviously that is the tactic of the Gillard Labor government. Here we see, again, the trickery—the smoke and mirrors—the desperation and the deceit of this government. The government is being tricky by introducing this bill in cognate with the bills which were debated last year. It is a swindle—it is a typical Labor swindle.

But this is not anything new to the people of Australia. They know full well the waste, the chaos and the mismanagement which has occupied this government now for 5½ sorry years. They know Labor's economic mismanagement is why it is trying to save money through changing the way private health care works. Again, it is a class warfare attack. We have heard the member for Hotham—indeed, we heard yesterday the member for Batman—talk about the fact that this class warfare has to end.

In short, we are debating this today because the Labor government's
mismanagement is such that we are facing a budget emergency. As such, the coalition is very concerned about Labor’s latest attempt to recoup that money, including the fact that this change will make private health insurance more expensive for Australians regardless of their age and income. Given the way these changes are set up, the effect will not be felt by individuals, families or the health system until April of next year—well after the 14 September election.

The means-test cutting which this government announced last year has yet to be felt, with around $1.2 billion in prepayments made as people seek to avoid the financial consequences of Labor’s means testing of benefits. We are deeply concerned that this bill will add even more complexity to the private healthcare system.

As I said, this all comes after repeated assurances by the Prime Minister and by the government that they would not change the private health insurance rebates. I quote the then health minister, Nicola Roxon, the member for Gellibrand, in The Age newspaper on 24 February 2009 as saying: The Government is firmly committed to retaining the existing private health insurance rebates. This came after a further assurance on Meet the Press on 23 September 2007 that Labor had ‘no plans’ to change the private health insurance rebate. And as far back as 2 September 2004, the then shadow minister for health and now Prime Minister said that she was ‘tired of saying this’ when referring to Labor’s so-called commitment—its supposed commitment—to the private health insurance rebate. Yeah, right!

In a letter to the editor in The Courier Mail on 23 September 2004, the now Prime Minister said that she had given an ironclad—ironclad! Do you believe that?—guarantee that the private health insurance rebate was to stay under a Labor government. But that iron was not to be. That iron did not even erode, that iron did not even rust; it just broke. It snapped, like many of the promises this broken government has given to the Australian people who, let me tell you, Mr Deputy Speaker, deserve better. They deserve a lot better.

An ironclad guarantee made by the shadow minister for health then is now but a savings initiative for this Prime Minister. This is the same Prime Minister who once spoke with great passion about getting a fairer deal for the working families of this country. Yeah, right! These are the same working families that this attack on private health insurance rebates targets the most.

The Prime Minister should well have listened to the former Premier of New South Wales—indeed, a former health minister of New South Wales—Morris Iemma, who once said that by 2030 the incremental increase in health spending in New South Wales would have resulted in the entire New South Wales budget being required to fund health. Morris Iemma, who actually is a good man, was the New South Wales Minister for Health from 2003 to 2005 and the Premier from 2005 to 2008 until, unfortunately, the faceless men of Sussex Street caught up with him. But he is a good man, and it was a good quote and a good comment. The trouble is that by attacking private health it just puts a further strain on the public health purse.

This is the same Prime Minister we now have who, as I said, spoke with great passion when she was in a shadow role but now as Prime Minister is doing nothing but attacking private health and doing nothing but breaking her promise. In my Riverina electorate some 54.5 per cent of my constituents have some form of private health insurance. These constituents form part of the 12.4 million Australians who have
private health insurance. These changes that Labor wants to rush through this parliament with indecent haste would seek to make private health care more expensive, more out of reach and more complicated for the 72,583 people in the Riverina who rely on such a scheme to support them in times when they need health care.

These changes will force the majority of my electorate to bear the brunt of Labor's economic mismanagement. I was contacted by many constituents to voice their concerns about these changes. Many of those constituents—the minister at the table, the member for Lindsay, might be interested to know—were once rusted-on Labor supporters, once rusted-on Labor voters, but they know the system is broke, they know the government is broke and they know that unfortunately this country is broke.

A husband and wife from Coolamon, who are self-funded retirees, have been in a private healthcare fund from the ages of 17 and 15 respectively. As with many self-funded retirees, this couple—good people; good, salt of the earth country folk—are concerned about the uncertainty of their future with low interest rates and the impact of the global financial crisis on their nest egg, on their savings. Given that, they say they are very worried about the cost of private health care growing with these changes. And these people are getting older; they are going to need to be calling on their private health care. But they now face the very real prospect that they will not be able to afford it. And why? Because this Labor government is broke and it has sent this country broke.

Given their age, my Coolamon constituents told me they are reluctant to drop out of the scheme as it is something they may soon require. Instead, sacrifices will have to be made in other areas in order to afford the cover they need. But these people are also facing daily struggles with paying the cost of living. Changes to the cost-of-living pressures were brought about by the economic mismanagement of the Labor government. Here is a quote that this fine couple said:

We feel like second class citizens. The government must remember: we are the ones who have worked and helped grow this nation's economy over the last 40 years, but these changes are pricing us out of the market. The dwindling savings of many self-funded retirees like my constituents are forcing them to reconsider the type of cover they want or if having private health care is affordable at all. Unfortunately, we have gotten to that situation.

My constituents said, 'If too many people can't afford private health, then the strain on the public system will be immense'. Again, I hark back to those wise words of Morris Iemma, those wise words of somebody from old Labor who knew the value of public health spending, who knew the value of private health. He was a good man—he is a good man, Morris Iemma—but unfortunately now he must look with great regret at what is happening in Canberra. He must look with great regret at how the Prime Minister and her Labor government have taken this country down the path of deceit, of sending our country broke and of now making these unnecessary and unaffordable changes for most Australians to the private healthcare system.

'Scaling back our cover or dropping out entirely is a fear we live with,' said my Coolamon constituents. And they are right. They are passionate about their country, like all the good folk of the Riverina, but they want fairness. They want a better deal. They want equity. They are not getting it from Labor. Like many of their generation, my constituents are not looking for a handout.
They have worked hard all their lives, and now they just want to enjoy their retirement without the stress and worry of spiralling health costs. They just want to be left alone to do what they want to do in their retirement. This government is just all the time putting its hands in the pockets of my constituents from Coolamon. Putting its hands in the pockets of ordinary everyday Australians; making out as if these people do not deserve something because once upon a time they earned too much money, because once upon a time they saved to provide for themselves in their twilight years. But now we have Labor reaching in like a thief in the night, stealthily reaching into their back pockets and taking the money out while at the same time with its economic incompetence making it so hard for these people with their day-to-day living costs.

The coalition's policy had been helping my constituents enjoy their retirement with the peace and the safeguard of knowledge their health care would be all right when they needed it most. You would have thought, given the repeated assertions by the Prime Minister, by the government, that my constituents had a friend in the Labor Party when it came to private healthcare rebates. But the words 'friend' and 'Labor Party' do not belong in the same sentence. It appears these constituents are just another number in a long line of Australian people who will have to bear the brunt of the absolutely disastrous way the Labor government has run this country. This is why the coalition and I share the concerns of my constituents about the impact these changes to private health insurance will have on the 54½ per cent of the people in the Riverina and around 12.4 million Australians who rely on private health care.

The government has a chance to instil confidence and certainty in these people, who face such an uncertain future under these changes. The government has a chance to make good on repeated assertions that it would retain the private healthcare insurance rebate. But do you think the government will do it? I do not think so. Instead that is why we are having this debate today.

The question remains as to whether they will do it. Like everything else with this Labor government, they will not. They make these changes, they bring them in at the last minute, and who do they hurt? It is the retirees, the people who put away to save money so that they can enjoy a decent and equitable life in their twilight years, who are going to be, unfortunately, calling on that private health insurance. They are getting older, they are joining the grey nomads, they are joining the ageing population. Just at that time, when they need support and help the most, what happens? Labor strips something away from them, forcing the price of groceries up with a carbon tax, forcing the prices of fuel up, and, now, changing private health insurance to make it so much more difficult for my Coolamon constituents and for the 54½ per cent of Riverina people with private health insurance who I represent.

Many of them, Minister, member for Capricornia, who are sitting up the back, used to be rusted-on Labor supporters. But they continually ring my office and say: 'What the hell is going on? I've voted Labor all my life but let me tell you: I can't wait for 14 September. I can't wait to cast my vote for the first time ever for the coalition. I can't believe I'm doing it but I'm going to have to do it because of the changes that this government has brought in.'

This is the latest in a long line of eleventh-hour changes that this Labor government is trying to rush through this parliament—as it has done with everything else. All the time they are hurting Australians, particularly regional Australians, who do it tough enough
as it is without having this government once again, like thieves in the night, putting their hand in the back pocket of good, hardworking, decent, tax-paying Australians and taking their money away from them.

Mr TEHAN (Wannon) (12:56): It gives me no joy to be here debating the Private Health Insurance Amendment (Lifetime Health Cover Loading and Other Measures) Bill 2012 and the cognate bill today. I really wish that these bills were not here before us. The bills really say three things. They say that we have a budget emergency in this country at the moment; they say that we have a government that does not understand the cost-of-living pressures on the Australian community; and they show that we have a government which has lost the confidence and the faith of the Australian people because it continually breaches the trust of the Australian community that it purported to have.

I will start on that trust issue first, because it goes back a long way. It goes back to 2005, when Mark Latham belled the cat on the current Prime Minister. Mark Latham wrote in his diaries that the current Prime Minister had no belief in private health insurance, did not think that it should exist and in reality would have been happy if everyone was forced onto the public system. The current Prime Minister said that that was not true. She said, in a letter:
The truth is that I never had a secret plan to scrap the private health insurance rebate, and contrary to Mr Latham's diaries, do not support such a claim … For all Australians who wanted to have private health insurance, the private health insurance rebate would have remained under a Labor government. I gave an iron-clad guarantee of that during the election. The difference between Tony "rock solid, iron-clad" Abbott and me is that when I make an "iron-clad commitment", I actually intend on keeping it.

There is some laughter in the chamber. Sadly, the best we can do is laugh, because the truth is that it is factual. As we have see on other issues, we cannot now take the word of this government. We cannot take the word of the current Prime Minister. It is a sad state of affairs when the trust between the government of the day and the Australian community has broken down to such a degree. It is not pleasing to have to stand up here and detail that lack of trust, that deceit. Really these bills should not be before us today, because we have heard from the former shadow health minister, now Prime Minister, that she believed in private health insurance; we have heard from the former health minister under the Rudd government that they believed in private health insurance; and we had from Kevin Rudd himself, when he was Prime Minister, an ironclad commitment in this regard. Yet here we are today and what we have in front of us is Labor government bills which want to erode private health insurance. The rebate, the loadings, the base premiums—you name it, they want to erode it because they want to get rid of it. What we have before us today is an ideological campaign against the private health sector in this country.

The worrying thing about it is that it goes to the cost-of-living pressures that this government keeps forcing upon the Australian people. The previous speaker, the member for Riverina, quoted the statistics, but I think they are worth repeating for the House: 5.6 million people with private health insurance have an annual household income of less than $50,000, and 3.4 million have an annual household income of less than $35,000. So what these changes are doing is increasing the cost-of-living pressures on 5.6 million people with a household income of less than $50,000 and 3.4 million people with a household income of less than $35,000. These are the people who are
already struggling with higher electricity, gas and water costs, and higher rates. These are the people who were told by this government that those cost-of-living pressures were going to be addressed. Yet what do we see before us today? Once again, those cost-of-living pressures are not being addressed. As a matter of fact, they are being added to by these bills that we have before us.

The other aspect of these bills is that these are budget emergency bills. We have them here before us because this government cannot manage the nation's finances. It is sad that we have to be here today, because we were told by the Prime Minister and by the Treasurer that the nation's finances were in good shape, and we were told that repeatedly. When you combine the number of times that the Prime Minister and the Treasurer told us that we were heading for a surplus this year, it is over 500. Yet what was delivered in the budget a few weeks ago was, once again, the stark reality that this government has a spending problem, that this government cannot manage money, that this government cannot control the nation's finances. A budget deficit of some $18 billion to $19 billion; the five largest budget deficits in Australia's history; net debt ballooning beyond $150 billion; gross debt ballooning beyond $300 billion; the Treasurer not having the courage to say that he will be the one who comes back to this parliament asking for that debt ceiling to be raised on our gross debt limit—that is what we saw in the budget. Also, it was a budget that was meant to be for growth, yet we saw, when we looked at the figures, that growth actually declines. It was meant to be a budget which was about employment. Yet what did we see when we looked at the figures? Unemployment actually increases. That is why we have these bills here. It is the incompetence of this Gillard Labor government, headed by the Treasurer Wayne Swan, to manage the nation's finances.

So what have they had to do to try and get the budget back in order? They have had to add to the cost-of-living pressures on the Australian people. That is what these bills do. There is a little bit of joy in being here in the House this afternoon, and that is because, when it comes to Lifetime Health Cover loading, the coalition are going to oppose the changes and we will restore the system if the Australian people put their faith in us on 14 September. That gives me some joy. I also wish that we were doing the same with the other bills, but the sad reality is that at this very moment, given this budget emergency, we cannot.

But I would like to add that what we have seen from the Leader of the Opposition and from the shadow minister for health is a very firm commitment that we will do what we can, if the Australian people vote us in on 14 September, to restore the private health insurance system to where it was—to where we were seeing growth in people taking it up and to where we were seeing it help to alleviate the pressures on the public system. We will make sure that those people who do want to take up private health insurance and who do want to carry some of the burden for the health expenditure of this nation get assistance in doing so, and that they are not just dealt extra pressures on their family budget, time and again, by the government. So that is one of the extremely pleasing things about being here in the House today.

The first is that we are going to oppose the Lifetime Health Cover loading aspect. Sadly, on the second aspect—the base premium—we cannot, given the budget emergency. But there is a commitment for us to restore it and revoke the other changes which have been made with regard to the private health insurance rebate, and we will implement...
those changes when we can. And we will need to, because as we have seen from the reports—and there is a Port Jackson Partners report that I would recommend those in the House read—on what is going to occur as a result of these measures, sadly, the impact of these changes on our private health insurance system will grow and grow, especially after a couple of years. Hopefully, if we get the chance, we will be able to get the budget back in shape in two years time and then we will be able to look, once again, at addressing some of these issues, because addressing them is what we need to do.

One of the issues which I have had the most feedback on in my electorate has been the government's changes to the private health insurance system. It is worth noting—and the member for Riverina did this—that it is not coalition voters who are worked up about this issue; it is Labor voters. They understand what is happening here. They understand the cost-shifting which is going on from Wayne Swan and his incompetent budget management back to them. They are the ones who are bearing the brunt of that incompetence. They are being asked to pay for the Treasurer's waste and spending in these bills, and they are angry about it. As the member for Riverina noted, they are so angry that they are going to change their votes at the next election. That is the feedback we are getting in our electorate offices.

I would like to congratulate the private health insurance sector for the mature way they have dealt with these changes. The government has really just been foisting changes upon them without properly consulting with them and without properly entering into negotiations with them. As a matter of fact, I have heard that, in some of the representations at some of the consultations which have taken place, the government has been almost downright rude in the way that it has dealt with the sector. Yet the sector has continued to deal with the facts on this issue and to present the facts and show the damage that will be done to our health system as a whole if we keep impacting on the private health insurance aspects.

I applaud the way that they have gone on with it and I make this commitment from the coalition side: we will, if we are elected on 14 September, make sure that the door is always open to talk, discuss and have proper consultations with you on this issues. The shadow health minister, Peter Dutton, has had very good relations with the sector and he is committed to those relationships continuing—as is, I am sure, the Leader of the Opposition, who demonstrated his commitment on these issues when he was health minister.

This is not a great debate for me to be involved in. I would prefer that I were not here. The two bills before us are bills which I wish were not before the House. I am pleased to be able to say, when it comes to the Lifetime Health Cover loading aspect of the bill, that we will be opposing that. It does not please me to say that, due the budget emergency, we are going to have to let the Private Health Insurance Legislation Amendment (Base Premium) Bill through. But it is pleasing that there is a commitment from this side of the House to make sure that, when we can, we will restore the private health sector to where it was under a coalition government and ensure that the sector continues to grow. That is a commitment I hope that the electors in my community and across Australia have heard and will trust us on.

Mr RAMSEY (Grey) (13:11): No wonder politicians are held in such low regard in Australia today. Every day the cause of democracy is being weakened.
There is a complete lack of trust. We have seen 5½ years of betrayal of trust. Mr Deputy Speaker, you could—anyone could—go into the street and ask people what they think of the Prime Minister today and what they think of the government’s solemn promises. I will list a few of them. The government promised: ‘There will be no carbon tax under the government I lead’—we know what has happened to that one. They promised a return to surplus—it was a cast-iron guarantee—500 times. The government promised no new taxes—remember that one? That was way back before the alcopops tax, which, incidentally, we now learn has raised $4½ billion but has not reduced alcohol consumption one bit—not one jot, not one tittle. That reminds me of another promise, Kevin Rudd’s promise before the 2007 election to not change superannuation—not one jot, not one tittle. The government promised Australia a tax cut only last budget. That commitment has already gone. We had a promise to build 2,650 trade training centres, and at this stage only 241 are built. And the government promised not to touch the private health insurance rebates. In fact, former Prime Minister Kevin Rudd said in 2007, before the election:

… Federal Labor is committed to retaining the existing private health insurance rebates, including the 30 per cent general rebate and the 35 and 40 per cent rebates for older Australians.

I know, Mr Deputy Speaker, you only just heard this quote from the member for Wannon, but it is such a good one that I think we should revisit it. It is from the current Prime Minister in 2005:

The truth is that I never had a secret plan to scrap the private health insurance rebate, and contrary to Mr Latham’s diaries, do not support such a claim … For all Australians who wanted to have private health insurance, the private health insurance rebate would have remained under a Labor government. I gave an iron-clad guarantee of that during the election. The difference between Tony “rock solid, iron-clad” Abbott and me is that when I make an “iron-clad commitment”, I actually intend on keeping it.

I want to repeat that last bit:

… when I make an “iron-clad commitment”, I actually intend on keeping it.

Surely nothing could be further from the truth.

Not once, not twice, but three times, this government has adjusted private health cover. First the means-testing; then the bill on lifetime cover rebate, which is actually being debated in cognate today; and the axing of genuine indexation of the rebate. It will take years to rebuild the trust. Australia needs a government that does what it says it will do, and asks the electorate for approval when it wants to completely contradict its previous policy.

The government is very fond of quoting John Maynard Keynes, when he said, ‘When the facts change I change my mind. What do you do, sir?’ That is quite right. When the facts change we should change our minds. But if the government is going to do a 180-degree about-face—as is the case with this bill; it is a major change in government policy—surely the government should ask for a mandate.

The government is also very fond of turning to John Howard and saying that he changed his mind on the GST. We know that John Howard did change his mind on the GST but he went back to the people and said, ‘What do you think?’ and the people agreed with him. That is what this government should do. And that is what a coalition government will do. It will be a return to predictable, consultative and stable government.

But predictable, consultative and stable government is not the Labor Party’s agenda—certainly not on this issue. Sadly, they are implacably opposed to incentives
that encourage individuals to pick up some of the strain, if they can, to contribute to their own health requirements. Sadly, the Labor Party are opposed to many things in the private sector. They are opposed to the private school sector. They do not much like the private aged-care providers, and they certainly do not support private health or private health cover.

There was a long-term lift, Australia-wide, in people electing to take a responsible path and take out health cover—to the point where more than 12 million people have cover: about half—following the reforms of the Howard government, which drew people back into private cover. One of those reforms—a very important reform—was the introduction of Lifetime Health Cover, which provided a loading of two per cent for every year that an individual is over the age of 30 when they take out their cover. A cap of 70 per cent is applied. That has been a policy for the future. It is not the kind of initiative that reaps great changes overnight but it changes long-term behaviour. The rise in the rate of health insurance cover around Australia is a demonstration of that.

The government does not seem to get the idea that if an individual pays for their own health needs that is something the government—the taxpayer—does not have to pay for. It frees up resources to spend on other kinds of government programs, like the National Disability Insurance Scheme, for instance. And the system is creaking, despite the government's guarantee to fix the health system and to fix the 'blame game'—another oldie but a goodie; remember that claim. In fact, very little has changed. I do not say these are easy things to fix. In fact, like many things in politics if they were easy to fix they would have been fixed years ago. But perhaps we will never fix—for the purpose of this sentence I would put the 'fix' in italics—the health system. Perhaps we will never have a permanent solution to all the problems in the health system, but what we need is a steady, methodical approach to addressing the long-term funding and technical challenges of health. What we should not do, though, is claim that we are able to fix the problem, as if there was one, simple, silver bullet that would take away all problems for ever. Certainly, this government has not done so.

Even a cursory perusal of the latest intergeneration review will tell even the most intellectually challenged person in Australia that we have a serious issue in front of us. Health costs are going to keep rising. We will, on average, live longer. We will require more care. New technologies will keep us alive for longer, and almost certainly as a result of that we will require further medical assistance on another day. The health system will continue to make greater and greater demands on the budget.

Surely, whenever a person takes personal responsibility by making a financial commitment, the load is lightened on the rest. Simply, if there was no private health insurance the public health system would collapse, virtually overnight. The bills that we are debating today will not kill off private health or the private health insurance system, but they will almost certainly decrease membership. The axing of the lifetime cover levies will certainly cut the number of fit, healthy, young people signing up. Why would they sign up to a system that is costing them so much when, at that stage of their lives, they are so unlikely to access it?

I would like to come to my electorate of Grey. You would think that it would have quite a low level of private health insurance. After all, according to the ABS 2011 census, the median age of the electorate of Grey is four years above the national average, at 41. The median weekly household income is
$870, or $364 below the national median. However, the best figures I can find in this matter suggest that the private health cover in the electorate of Grey is at 52 per cent, or about four or five per cent above the state figure. I think that is quite remarkable. It is doubly interesting because, in fact, there are just two not-for-profit community hospitals in the whole electorate. So, for all but about 3,000 residents there is no local alternative to the local state hospital, and, in many of the smaller towns at least, there is no choice of doctor. One could well ask, given these circumstances: 'Why are these people so loyal to private health cover?'

Certainly, the lifetime cover levies are part of the reason that people join in the first place and stay with private cover. They fear they may not be able to afford to rejoin at a later time in their life when they are more likely to need specialist care, perhaps hospitalisation in the city.

The Lifetime Health Cover is a great encouragement for people to join up young when they are healthy and to stay in the system, and eventually the system will repay that faith. Lifetime cover has been a very good move and removing it is a great risk to our long-term health planning and covering our national needs. In fact, the biggest increase in private health cover over the last 10 years came about at the time of the implementation of the lifetime cover levies.

Changing the rebate formula must lead to premiums rising faster than they would have otherwise. We cannot say whether this will lead to an alarming dropout rate. We do not really know until it is implemented, but it will be very surprising if it does not. Australia is paying a very real price for Labor's chronic mismanagement of the economy. We are in a crisis—$370 billion debt will be accumulated some time in the next four years according to the budget papers. There is no doubt that some serious decisions have to be made with the budget. That is why, reluctantly, the coalition is supporting the change to the mechanisms that set the rebates.

We are in the dying days of this parliament. We are down to the last 13 days that the parliament will sit, as far as we can tell, even though nothing is cast in stone, and the parliament is trying to deal with the Gonski bills, the Australian Education Bill, and the National Disability Insurance Scheme, and even the rushed actions for the aged-care industry. Once again, there is an unseemly rush to shove legislation through the legislative process in what is effectively the last couple of weeks of parliament. Many of the bills are ill-considered. One even wonders if the government has its heart in many of these measures and is not trying to leave a damaged economic platform for an incoming government to deal with. If the government had any plan, if it had any idea, if it knew what it was doing and if it had consulted with industries, it should have sensibly made these changes before this time instead of rushing these bills through. The Labor Party have been in government over 5½ years, yet we have this rush of legislation in the last 13 days of parliament.

Debate adjourned.

Ordered that the second reading be made an order of the day for a later hour this day.

BUSINESS

Rearrangement

Mr ALBANESE (Grayndler—Leader of the House, Minister for Infrastructure and Transport and Minister for Regional Development and Local Government) (13:25): by leave—I move:

That so much of the standing and sessional orders be suspended as would prevent the following item of private members business being called on and considered immediately:
Fair Work Amendment (Better Work/Life Balance) Bill 2012—Order of the day No. 5.

Question agreed to.

BILLS

Fair Work Amendment (Better Work/Life Balance) Bill 2012

Second Reading

The DEPUTY SPEAKER (Mr Cheeseman): The question is that the bill be read a second time.

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

The DEPUTY SPEAKER: As there are fewer than five members on the side of the ayes in this division, I declare the question negated in accordance with standing order 127. The names of those members who are in the minority will be recorded in the Votes and Proceedings.

Question negatived, Mr Bandt and Mr Wilkie voting aye.

Private Health Insurance Amendment (Lifetime Health Cover Loading and Other Measures) Bill 2012

Second Reading

Cognate debate.

Debate resumed on the motion:

That this bill be now read a second time.

Mr VAN MANEN (Forde) (13:32): I rise to speak on the Private Health Insurance Amendment (Lifetime Cover Loading and Other Measures) Bill 2012 and a related bill. The last time I rose to speak in this place on private health insurance amendments, I began my speech by reading out a letter written by the former leader of the Labor Party, the member for Griffith. That letter promised that the federal Labor government was committed to retaining the existing private health insurance rebate. We all know what happened next. The Prime Minister went on to break that promise through means-testing changes after previously ruling out any changes to the private health insurance rebate.

During the debate that followed the introduction of that legislation, designed to change the private health insurance rebate, those opposite claimed that only well-off people would be affected. Those opposite implied that private health insurance was a luxury for the rich. That is simply not the case. Some 10.6 million Australians have hospital cover. Another 5.6 million people with private health insurance have an annual household income of less than $50,000 and some 3.4 million have an annual household income of less than $35,000—hardly those you would classify as being rich.

In Forde, almost 50 per cent of my constituents have private health insurance, with an average weekly household income of some $1,300. These people are not rich. Most sacrifice other essentials in order to keep their private health insurance because they know that often the waiting lists at public hospitals can be lengthy and they might have a health condition that requires ongoing care through various specialists.

It is instructive to note that private hospitals treat some 40 per cent of all patients and perform two out of every three elective surgeries in Australia. It is important to understand that private hospitals are a crucial part of Australia's overall health system and are a significant part of our local communities. Presently we do not have a dedicated private hospital in Forde; however, in the near future, there are plans to build one in Beenleigh.

Labor always purport to seek to help the most disadvantaged and underprivileged, yet time and time again we see the reverse. Their
very policies actually hurt those who are the most disadvantaged and underprivileged in our communities, not assist them. Given the cost of private health insurance, if premiums go up the many low-income earners who do have their own private health insurance will bear the burden of these increased premiums because of fewer people being privately insured. These people are the very ones who can least afford an increase in premiums, yet they are doing their best with their limited resources to contribute and provide for themselves.

The full effect of Labor's means-testing changes have not yet been felt. PHIAC reports $1.2 billion in prepayments in the June quarter last financial year as people tried to defer the resulting premium increases, with many policy holders prepaid for 12 months or more delaying the pain of Labor's cuts. Labor's private health insurance changes will put more pressure on the public hospitals, which are already struggling under the $1.6 billion cut out of hospital funding in MYEFO. This includes retrospective cuts to public hospital funding that has already been spent and allocated to the 2011-12 and 2012-13 financial years. This has caused the closure of public hospital beds, operating theatres and delays to elective surgery. The government has since announced a reversal of their position, but only in Victoria, surprisingly.

The federal Labor government has spent approximately $1 billion establishing nearly 12 new bureaucracies, which appear immune to the cuts, while funding has been slashed for private health insurance, public hospitals and dental health through the closure of the Chronic Disease Dental Scheme.

Earlier this year the government cuts to health were felt in Forde. Not only was my office contacted in regard to this issue but it was also raised in the local media. As with the feedback to my office, the article in the local media back in March stated that elective surgery patients across Logan can expect a waiting period of at least nine months or even more to be added to their current waiting time for treatment.

The local Logan Hospital has postponed almost half of its non-urgent elective surgeries until the new financial year starts in July. According to Metro South Health chief executive Dr Richard Ashby, non-elective surgery has been reduced from 67 to 40 operating theatre sessions per week. Some 92 patients have been contacted to reschedule surgery due before 30 June and others on the waiting list will now also be waiting for an unspecified length of time.

I am concerned for the patients on the non-urgent surgery waiting list who are suffering conditions that might be causing pain, discomfort and disability. At the time these funding cuts were first announced earlier in the year, a constituent contacted me to say how he had been affected by these delays. He was given only one week's notice that his hip replacement surgery was to be cancelled. He had already hired the equipment for his home for recovery and had been told that now surgery would not happen until at least the new financial year.

This increase in postponements and the blow-out in the waiting lists coincide directly with the Labor government taking $103 million out of the Queensland health budget, of which $19 million came out of the budget of Metro South Health. The Metro South Health community looks after 23 per cent of Queensland’s population. In 2011-12, 176,333 people were admitted to Logan Hospital. Nearly 42,000 operations were performed and 218,000 people presented to emergency departments. There were another 372,000 occasions of service performed in community health centres and another
307,000 emergency dental treatments were provided.

When we look at the list of failures by this federal Labor government we see a total of $1.6 billion ripped out of public hospitals, $4 billion slashed out of private health insurance and $1 billion hacked out of dental health, and any number of other issues. Yet, unsurprisingly, this budget remains in crisis. This is not only affecting the people in my electorate but electorates right around the country. Given the concern that the full effect of Labor's changes to private health insurance has not yet been felt, this situation could have the potential to blow out as more opt of their hospital cover, jumping onto already lengthening waiting lists in public hospitals.

The government's changes to private health insurance are already having an effect. The government's own Private Health Insurance Administration Council has found in the five years to 2012 that 'exclusions and restrictions have become much more prevalent' and that the increased use of exclusions 'may work against the policy objective of private health insurance in easing the burden on public hospitals'.

The previous coalition government's private health insurance reforms in the form of rebates, the Medicare Levy Surcharge and Lifetime Health Cover saw the number of people with private health insurance increase 75 per cent from 6.1 million to over 10.7 million. Yet here today we see legislation being introduced that will add further complexity to the private health sector. The changes to Lifetime Health Cover in this Private Health Insurance Amendment (Lifetime Health Cover Loading and Other Measures) Bill 2012 will increase premiums by up to a reported 27.5 per cent from 1 July 2013. This will directly affect lower income Australians. It will also increase the administrative burden on private health insurers with short time frames to change systems by 1 July 2013. Presently, the Lifetime Health Cover loading is removed after 10 continuous years of hospital cover. But, once again, the government is changing the rules of the game on ordinary Australians. There will be people who are close to having their loading removed, having paid the loading in good faith and abiding by the appropriate rules and regulations. Now they will face average premium increases of 10 per cent but possibly up to 27 per cent and have to decide whether they retain their cover.

In regard to the Private Health Insurance Amendment (Base Premium) Bill 2013 we will not vote against this bill but I point out that the government, as on many other occasions, are rushing a piece of legislation through this parliament for their own expedient purposes. The bill was introduced only last sitting week and we have not had time to consider the detail as we would normally like. However, due to this government's economic incompetence, there is now a budget emergency.

Australians know that this Labor government, in a few short years, has turned $70 billion in net assets and a $20 billion surplus into ongoing deficits and debt with the likelihood that we will be pushed through the debt ceiling in the forward estimates period. The coalition acknowledges there are serious concerns with this latest Labor bill. This change will increase the cost of private health insurance further for all Australians with cover, irrespective of age or income.

There is a light on the hill, so to speak. We have an election in 109 days. Australians will have the opportunity on 14 September to make a decision as to whether they continue to support a government that will leave this country with the legacy of debt—along with
deficit, higher living costs, carbon taxes that do not provide any practical benefit other than, in the long term, sending more of our hard-earned wealth overseas, and no vision and no plan for the future—or a coalition government that will provide hope, reward and opportunity and a vision for this country going into the future.

The DEPUTY SPEAKER (Mr S Georganas): Order! The debate is interrupted in accordance with standing order 43. The debate may be resumed at a later hour.

STATEMENTS BY MEMBERS
Fadden Electorate: Rosie Malone
Mr ROBERT (Fadden) (13:45): I rise to inform the House about an outstanding young lady called Rosie Malone, who was awarded a sports champion award in the under-15 girls national championship in the Fadden Electorate. This is an extraordinary young lady. She won the Queensland Premier's Rising Star Award. Two years ago she was the youngest girl by two years in the Queensland girls school competition. This year again she was the youngest girl in the competition.

She misses a fair bit of school, unfortunately; but her mum assures me that she always is up to date with her work, because education is important. But she is busy. She captains the Ashmore Little Athletics Club. She is a representative in soccer and in athletics.

What makes it so extraordinary for this family is that mum is a single mum with a couple of very gifted children, one of whom is Rosie. Quite often parents do not get to see their kids compete because the cost is very high; the sports championship grant is one way to really help. Mum works hard to ensure Rosie gets the best she can. The grant that Rosie was given has allowed her team to come second overall in the competition.

Rosie lost half her finger in a competition six weeks earlier in Hobart but still managed to play after multiple surgeries. If we knew nothing else about Rosie, that alone would tell us a lot about her courage and tenacity and about her sporting prowess and achievements.

She will now go on to play in the under-17s club competition, and I know the House will join me in wishing her well in celebrating her great achievement.

Robertson Electorate: National Day of Thanksgiving
Ms O'NEILL (Robertson) (13:46): I rise to give a report to the parliament of an event that happened last Saturday in my electorate: a national day of thanksgiving, celebrating local heroes. It was jointly auspiced by Tim and Kim Jones as the pastors of the Liberty Church in Gosford and also by Gosford City Council. I was delighted to be able to hand out some awards on the day. At the outset I congratulate Deborah Warwick from the Imperial Centre, who was an award recipient and who was vital in the event coordination.

Awards went to Dianne Joseph from Gosford SES; Bayard Atkinson, also from Gosford SES, who has given long service in our community; Jordan Smith, who is a young man who works in surf-lifesaving and the Red Shield Appeal and is a student from St Edward's Christian Brothers' College; Senior Constable Jon Stevenson, Constable Gerard Pasfield and Constable Emily Stallard; Hal Moir; the Brisbane Water Local Area Command; Nathan Fernandez, who was surfing near Norah Head and went out and saved someone with his surfboard; Superintendent David Turner; Gary Yates, Gregory Watson, Craig Dodds and Rodney Binding from Fire and Rescue New South Wales; Judy Maudsley of Lions Club.
International; Lachlan Walter; Leading Senior Constable Robert McDonald; Alex Isbester; the Central Coast Mariners; Janice Park; Vincent Van De Graff; John Phillips, OAM; Ron Hincksman; Bronwyn Ambrogetti; Linda Holton; Senior Constable Shane Raymond— (Time expired)

Wright Electorate: National Volunteer Week

Mr BUCHHOLZ (Wright) (13:48): Last week was National Volunteer Week and, amongst the budget chaos, I was unable to offer my thanks to the volunteers from my electorate. Volunteer week is a week when we can say, 'Thanks a million,' to members of the community and volunteers who offer random acts of kindness throughout the electorate.

I take this opportunity to announce the following people who received special recognition for their efforts during the most recent 2013 floods which inundated my electorate for a second time: Dan and Margot McDade and Elaine and Laurie Dippel from Thornton—we appreciate their efforts; Kane Lutter of Aratula; Sam Van Tuinen from Beaudesert; Nathaniel and Janine Edwards and Megan Wallace from Laidley—we appreciate everything they did to contribute to the community; Maurice Macaulay, Theresa Johnston, Stewart Wall, Colin Fisher, John Middendorp, Dale Woodward, Julie Ferguson and Frank Cimpton, who all volunteered their time with the Beaudesert RSL sub-branch during the floods. Finally, I thank members of the Birnam Rural Fire Brigade, Amanda Ardrey, Karen Dore and Duncan Ritter, who volunteered at short notice to assist in the devastating flood recovery in Bundaberg, many kilometres from our electorate. They made that choice to travel.

These people represent a larger number of my constituents who demonstrated selflessness and compassion during this year's flood. I sincerely thank many of the constituents who gave their mates a hand up— (Time expired)

Powis, Richard

Mr HUSIC (Chifley) (13:49): Today I honour Richard Powis, former Integral Energy CEO; someone well regarded within our nation's energy sector. A former teacher and trained economist, Richard held roles at TransGrid, and was deeply involved in the establishment of the National Electricity Market. He was appointed Integral Energy CEO in 2000 and, at a time when it was weighed down by doubt about its future, he restored its financial success, in part by fashioning an ethical culture within the corporation. He spearheaded efforts to improve the ageing electricity network in Western Sydney and the Illawarra; he lifted safety standards; he gave young people opportunities through greater apprenticeship numbers; and he prepared Integral for greater competition.

I was humbled to work with him, admiring foremost his integrity, his sharp mind and lateral approach to conquering difficulty, his abiding commitment to the employees he felt responsible for and his determination that the residents and businesses of Western Sydney, the Blue Mountains, the Illawarra and the Southern Highlands continually deserved better service. Sure, he was tough and determined. But he was fixed with purpose, embracing those with a parallel sense of service. He never complained about the problems confronting him or the isolating nature of senior leadership. He never levered off challenges to get things done. 'This ain't a job for the faint hearted,' he would usually say.

Richard left Integral Energy in early 2008, becoming CEO at superannuation group
FuturePlus. Last year, at 60, Richard decided to spend more time with family and savour his passion for sailing. I was deeply saddened to learn that he passed away suddenly on Sunday. I extend my heartfelt condolences to his family. Thank you for your service, Richard Powis.

Blue Mountains Crossing Bicentenary

Mrs MARKUS (Macquarie) (13:51): I speak today about the significance of the crossings of the Blue Mountains; the bicentenary is celebrated this year. There have been a number of events coordinated by councils as well as Blue Mountains Lithgow and Oberon Tourism, a number of communities and also representatives of Blaxland, Lawson and Wentworth.

I congratulate a number of people who have been involved. I particularly acknowledge a number of individuals who have made significant contributions: Phil Hammon and Tom Colless. Phil has ensured that we had the largest ever and first ever fly-over of about 75 planes last weekend over the mountains. It was a phenomenal experience to watch.

I also congratulate Tom Colless, who, together with Phil, has made significant financial contributions to enable a number of programs and celebrations to occur during this period. I also acknowledge the Blue Wave Crossing Team, who are re-enacting the crossings as we speak and will be finalising their walk tomorrow when they arrive at Little Hartley. This has involved many representatives from our local community as well as descendants of Blaxland, Lawson and Wentworth. There is also a play which Wendy Blaxland and her daughter are engaged in and showing to the public and to schools. (Time expired)

Bass Electorate: Training and Employment

Mr LYONS (Bass) (13:52): I had great pleasure in recently attending the Bridport Training and Employment Pathways project and the Bridport foreshore revegetation project launches at the Bridport Surf Life Saving Club, in my electorate of Bass. Under the flexible funding pool, the Australian government has invested $70,000 in these projects, which will enable young people in North-Eastern Tasmania to train in the construction, conservation and horticulture sectors. Eight young people in the region will gain experience by working to build the Bridport Surf Life Saving Club over a 20-week period through the Australian Apprenticeships Access Program, in a project linked to the Dorset trade training centre.

A further eight participants will gain new skills and 13 weeks of accredited training in units of Certificate II in Conservation and Land Management and Certificate II in Horticulture, while revegetating the foreshore at Bridport's Goatons Beach. These projects will support employment, workforce participation and skills development for these young people and will assist both those looking to train and local employers looking to fill employment vacancies.

Wright Electorate: Dairy Industry

Mr BUCHHOLZ (Wright) (13:54): I rise to inform the parliament about the conditions of our dairy industry in the electorate of Wright. I am losing dairy farmers in my electorate at a rate too high to mention. I am down from 2,000 dairy farmers to about 550, and it is forecast that at the end of the year I will lose another 50. It is totally unacceptable.

One of the biggest pressures driving dairy farmers to leave the industry is the price being dominated by the retailer. The
consumer loves it, but the dairy farmers are getting smaller cheques and, as a result, are finding themselves unable to continue to operate.

Australia, you need to make a decision. If you want to have fresh milk, we need to make sure that our dairy farmers are profitable. If you want to start importing our milk because we do not have dairy farmers who can compete on a global standard here, get prepared to start drinking UHT milk. Percentage-wise, its consumption is far greater in Europe than it is here in Australia. It is a lot easier for the retailers to sell because it does not need refrigeration and it does not need to be rotated through as a stock, so it becomes a higher margin profit line item on their balance sheet.

Please help me. Help my farmers in the electorate of Wright. Help me help my farmers right across Australia. Dairy farmers are bleeding and they need the assistance of the Australian consumer. I beg you.

**Australian Labor Party: Port Kembla Branch**

Mr Stephen Jones (Throsby) (13:55): On Saturday I had the great pleasure of attending the 100th anniversary of the Port Kembla branch of the Australian Labor Party. The branch was formed in 1913 and pivotal in the formation of the branch were the iron-workers who were then working in the newly established steelworks at Port Kembla. Branch records also show that numerous in the branch at the time were the seafarers and wharfies, together with the shopkeepers who lived in and around Port Kembla.

The Port Kembla branch of the Australian Labor Party has always strongly reflected the community in which it is based. The branch today has members from Malta, Macedonia, Greece, Australia, Italy and just about every country that you would find represented in the electorate. It has had an active role in all of the debates that have featured within Labor Party history and indeed Australian history over those 100 years—very fierce debates around issues such as conscription and our roles in our foreign wars.

I pay tribute to all of the people who attended and participated in the organisation of this wonderful event. I was very pleased to see there one of my friends Michael Wilson, who is a fourth-generation member of the Australian Labor Party. He, his mother, his sisters and his cousins were in attendance at that meeting. It was an absolutely fantastic event. I also pay tribute to Bobby Turner and Vicky King, the president and the secretary. *(Time expired)*

**National Walk Safely to School Day**

Mrs Prentice (Ryan) (13:57): Last Friday I joined more than 100 students, teachers and families from Kenmore State School as they braved the brisk autumn weather for National Walk Safely to School Day. National Walk Safely to School Day, now in its 14th year, provided Kenmore State School with a great opportunity to share important road safety messages with their students. The event also doubled as a healthy and active way to start the school day and an excellent way to warm up. The students who participated enjoyed a delicious hot Milo upon their safe arrival at school, kindly provided by the school tuckshop.

It was a great way to start the morning, walking with the students from Kenmore Village past the local businesses crossing Brookfield and Moggill Roads and into the school grounds. The event enabled Kenmore State School to play its part in promoting reduced carbon dependency, greater use of public transport, clean air, active lifestyles and road safety for primary school.

I commend Kenmore State School's Principal Glenn Forbes for encouraging the
school community to participate in this worthwhile event—and a big thank you to the tuckshop volunteers for the hot Milo which was so welcome on a cool morning. I congratulate the 80 students and their parents and families who walked with us.

Canberra Electorate: Australian Public Service

Ms BRODTMANN (Canberra) (13:58): In rising to address the House, I will start with a quote:

I cannot honestly say that I liked Canberra very much; it was to me a place of exile; but I soon began to realize that the decision had been taken, that Canberra was and would continue to be the capital of the nation, and that it was therefore imperative to make it a worthy capital; something that the Australian people would come to admire and respect; something that would be a focal point for national pride and sentiment. Once I had converted myself to this faith, I became an apostle.

Those are the words of Sir Robert Menzies, a self-confessed apostle of Canberra.

Menzies, through a series of bold and ambitious decisions, established Canberra as the thriving city we know it as today and as a great national capital with a consolidated public service. Now, some 60 years after the crucial establishment of the National Capital Development Commission, the party that Menzies founded is seeking to undo his great work. If those opposite are elected in September, they promise to slash 20,000 Public Service jobs and relocate many more away from Canberra—to Tasmania, Geelong, Karratha, Cairns and Darwin, despite the fact that 60 per cent of the Public Service is already serving democracy outside Canberra.

I call on those opposite to listen to the words of Menzies, to preserve Canberra as a worthy capital, a capital the Australian people can admire and respect—a focal point for national pride and sentiment—and spare Canberra the pain and suffering that they are promising. Remember 1996, Canberra.

The SPEAKER: Order! It being 2 pm, the time for members’ statements has concluded.

QUESTIONS WITHOUT NOTICE

Economy

Mr ABBOTT (Warringah—Leader of the Opposition) (14:00): My question is to the Prime Minister. I remind her that the latest IMD World Competitiveness Yearbook shows that Australia’s competitiveness has slumped to its lowest ranking in 17 years, with poor local business and investor confidence, red tape and inefficient government decision making cited as the reasons for this decline. Can the Prime Minister explain how her government’s carbon and mining taxes, amongst 39 new or increased taxes and 21,000 new regulations, have improved Australia’s competitiveness?

Ms GILLARD (Lalor—Prime Minister) (14:00): I thank the Leader of the Opposition for his question. As a government we focus on competitiveness and productivity and the Leader of the Opposition ought to be aware that, in the productivity statistics in recent times, there have been some good emerging trends. There is obviously volatility in short-term figures, but I direct the Leader of the Opposition’s attention to the actual facts and figures. They are not something to guffaw about; they are something to absorb.

What makes a difference to competitiveness? A series of things. You need to have the best of infrastructure, which is why this government is making record infrastructure investments. You need to have the infrastructure of the age in which you live, not yesterday’s infrastructure, which is why we are rolling out the National
Broadband Network, doing it once, doing it right and doing it with fibre.

In order to be competitive and have productivity you need working people to have the best of skills, which is why I am very proud that there are more apprenticeships and traineeships out there than ever before and that we held apprenticeships and traineeships, despite the global financial crisis where around the world so many people were thrown into unemployment and so many young people missed out on a chance of training. Here in this country, through things like the Apprentice Kickstart Initiative, we have kept apprentices and trainees getting the skills they will need for the future.

We have also grown university places. There have never been more university places in Australia's history than there are now—a truly great thing for our international competitiveness and also for fairness to our people, because we have increased the number of people from poorer homes going to universities, something people said could not be done. But we have achieved it.

Our school reform agenda, the National Plan for School Improvement, is about every child reaching their full potential. It is also about the strength of our national economy for the future and our competitiveness, because we simply cannot be a strong and prosperous nation in the future if our kids do not get a world-class education.

We have also worked on a seamless national economy agenda, making sure not only that is there appropriate regulation but also that it makes sense for the national economy—things such as transport regulations not changing at state borders.

When it comes to taxation we have ensured that we are pricing carbon in the most efficient way: a market-based mechanism. In the minerals area what we are taxing is super profits—that is, when investments are at their most profitable stage. This is an appropriate taxation response and this comprehensive suite of policies is a stark contrast to the lack of plans— (Time expired)

National Plan for School Improvement

Mr SYMON (Deakin) (14:04): My question is to the Prime Minister. Will the Prime Minister update the House on the latest jurisdiction to sign up to the National Plan for School Improvement? Prime Minister, how will this advance the government's plans to make Australian schools stronger, smarter and fairer?

Ms GILLARD (Lalor—Prime Minister) (14:04): I thank the member for Deakin for his question. I am absolutely delighted to announce that today I joined the Chief Minister of the ACT and together we signed our plan for better schools for the students of the ACT.

Opposition members interjecting—

Ms GILLARD: I hear those opposite guffawing. I do not understand why they would not want to give 62,000 students who live in the ACT a better education and why they would seek to be cynical and dismissive about securing a better education for 62,000 students. For those 62,000 students joining the students in New South Wales, the biggest education system in the country, what we have done today through this agreement is make sure that they are not going to be subject over the long term to the funding model of today, which is broken. We know it is broken and, indeed, the Minister for Education in New South Wales has been very clear publicly, and when he has visited Canberra, that it is broken. As a result of this arrangement, schools in the ACT will see base funding rolled out to bring schools that are below a school resource standard to that school resource standard. We have also committed to stable indexation...
arrangements. We have committed to grow education by 4.7 per cent and the ACT has agreed to grow its own school budget by three per cent.

What does this all mean? What is this money going to be used for? It is going to be used for incredibly practical things that make a difference to children's education. It will give schools the resources they need to make sure that they can engage in more one-on-one learning, giving children the help and support they need, whether it be at the front of the class or the back of the class. It will mean that schools have more resources to assist those students with special needs. It means that schools will have more resources for literacy coaches, numeracy coaches and specialised teachers. It means that schools will have more resources to support their teachers, to make sure that the teachers are high quality and that young teachers are supported to get the best of skills. Teachers are always supported to do their best in classrooms. It will mean that schools have the ability to have the equipment that makes a difference to kids education.

I understand that to those on the other side of the House, in the opposition, all of this is viewed as boring. For the government, this is viewed as the most important work of government: investing in our children, investing in their future, and creating a stronger, smarter and fairer nation for the future. We take an 'A' step forward in the ACT today.

Economy

Mr HOCKEY (North Sydney) (14:07): My question is to the Treasurer. I remind the Treasurer that this year's World Competitiveness Yearbook shows only eight per cent of respondents found that competency of government was attractive in Australia, only five per cent approved of Australia's tax regime and only 12 per cent found Australia a business-friendly environment. Can the Treasurer explain how 21,000 new regulations plus 39 new or increased taxes under this government has made Australia more globally competitive?

Mr SWAN (Lilley—Deputy Prime Minister and Treasurer) (14:07): I thank the shadow Treasurer for that question. It comes from a political party that aspires to be the government of Australia and is going to jack up company taxes by 1.5 per cent, making sure that our rates fall behind countries like Mexico and Spain in terms of competitiveness. So I do not think they should be coming in here and lecturing this government about competitiveness. All of the evidence says: yes, we have to attend to our tax systems; yes, they must be competitive. Clearly, those on the other side of the House do not want a competitive tax system because for some time they were also opposing our tripling of the tax-free threshold, because they do not like low-income workers. They were doing that for a while as well.

Let us talk about competitiveness. Every single international study shows one thing: the most important thing a country can do is invest in its people, invest in education. Investing in education is the most fundamental thing a country can do to lift its productivity for the long term. That is at the centre of every international study that has been done in this area. But what is this all really about? Those opposite come into this House day after day and talk down our economy. That is a Trojan Horse for justifying their savage cuts to the bone, their aping of austerity from Europe, which they are not going to tell the Australian people about. So what they want to do is talk down our economy, generate a sense of uncertainty—
Mr Hockey: Speaker, my point of order goes to relevance. I ask that you bring the Treasurer back to the question about the 39 new or increased taxes under Labor—

The SPEAKER: The member for North Sydney will resume his seat. The Treasurer has the call and will refer to the question before the chair.

Mr SWAN: I was asked about our economy as compared with other economies in the world, and our economy compared with other economies in the world is doing very well. But those opposite come in here day after day and talk it down. On the day that we have got a report from the OECD which shows that our economy is in good nick, which endorses the government's fiscal policy, they come in here and talk our economy down. On the day that we get a set of capex figures that show the strength of investment in the forward years not just in mining areas but also in non-mining areas, they come in here and talk our economy down.

But the OECD report today is undeniable. It shows that we have one of the strongest-growing developed economies in the world, and everyone on this side of the House is proud of that fact. But what the shadow Treasurer does is come in here and talk the economy down. We have got a AAA credit rating from the three major rating agencies globally, something that was never done by those opposite. We have got low unemployment. We have got a strong investment pipeline. We have got record low interest rates. We have got an economy which is in good nick but which is in transition, and what our budget was about was putting in place fiscal settings which would support jobs and growth. Those opposite will never support jobs and growth because what they support is what the member for Tangney said on the door when he let the cat out of the bag: they support austerity and the loss of jobs and very big cuts to the bone.

Education Funding

Ms SAFFIN (Page) (14:11): My question is to the Treasurer. Treasurer, why is building a smarter Australia through our schools at the very core of making our economy stronger, and will you please update the House on the government's plans to deliver this?

Mr Randall: You should go back to school.

The SPEAKER: The member for Canning might go back somewhere very soon if he is not careful.

Mr SWAN (Lilley—Deputy Prime Minister and Treasurer) (14:11): I thank the member for Page for that very important question. At the core of our recent budget was our decision to find the responsible savings to fund the long-term investments for the future that make our country smarter and that make our country fairer. We put in place savings to fund the school improvement program, the recommendations from Gonski. What is that all about? It is about a more prosperous country, it is about a more competitive country, but it is also about a fairer Australia. We on this side of the House believe that every child, wherever they live, whatever postcode they come from, should get the best start in life and the best chance to earn a decent income, the best chance to lift their living standards. We know and understand how much education empowers the future and is the key to future prosperity.

This is why we have put in place a new funding model which is very important, particularly in my home state of Queensland, which will mean an additional $3.8 billion over six years. Fortunately, in New South Wales they are adopting this model because
they know how good it is for Australia. There, even a National Party education minister has endorsed the model. But the cost in Queensland and the cost across the country of not implementing it will be horrendous. In Queensland government schools would lose $3 billion and non-government schools $1.2 billion.

We have got a broken system. The Gonski report tells us it is broken; it must be fixed. But guess what? Those opposite want to hang on to a broken system which Mr Gonski has recommended should be removed to give our kids the best start in life. That is the choice that they have made. It is a shameful choice but I do respect that it is the choice they have made, but the fact is that they have done something else, and what is really reprehensible about what they have done is that they have attempted to thug the Premiers of Queensland and other states into not accepting this model. What that means is that they are stealing from the future and they are putting their political interests before the national interest. That is what they are doing. They have been out there lobbying all of their Premier mates not to adopt this policy.

Mr Christensen interjecting—

The SPEAKER: The member for Dawson is warned!

Mr SWAN: That is a shameful thing for someone who pretends to be a leader of an alternate government in this country.

Mr Buchholz interjecting—

The SPEAKER: The member for Wright is warned!

Mr SWAN: We know something about the Leader of the Opposition: he is all opposition and no leadership. The other thing that we know about him is that he likes to go the biff. He has been attempting to have this makeover—‘soft Tony’. What he has been doing behind the scenes is going the biff on the Liberal premiers to try and stop them from adopting this model.

Mr Pyne: Madam Speaker, on a point of order: I know I am one of the few Australians left listening to the Treasurer, but he is not entitled—

Opposition members interjecting—

The SPEAKER: The Manager of Opposition Business, if he wishes to make a point of order, should get to it and not abuse it. Those behind encouraging him should observe that I have warned the Manager of Opposition Business every day this week about abuses of points of order.

Mr Pyne: Madam Speaker, you have previously required the Treasurer to withdraw that phrase, and I would ask you to ask him to withdraw that phrase today.

The SPEAKER: I ask the Treasurer to withdraw.

Mr Swan: I withdraw. For the explanation to the people in the gallery, it is actually quite a serious issue.

Economic Competitiveness

Mr Truss (Wide Bay—Leader of The Nationals) (14:15): My question is to the Prime Minister. I remind the Prime Minister that this year’s World Competitiveness Yearbook ranks Australia at No. 43 in the world in terms of efficiency of government decisions, and Australia has slumped from ninth to 29th since 2007 when it comes to having an efficient institutional framework of government. Can the Prime Minister explain how the government’s carbon and mining taxes, among 39 new or increased taxes and 21,000 new regulations, have improved Australia’s competitiveness? (Time expired)

Ms Gillard (Lalor—Prime Minister) (14:16): To the Leader of the National Party: first and foremost, there is a bipartisan
target in this country to reduce carbon pollution by five per cent. You can do that the most efficient way, or you can do it a less efficient way. The government has chosen to do it the most efficient way. What the Leader of the National Party will never be able to do is to walk up to the dispatch box and say that the policy he stands for comes at a lesser cost to the Australian nation per tonne of carbon pollution that we reduce out of the atmosphere than the government's policy— that is, the Leader of the National Party stands for a more costly policy for the nation. So, if the Leader of the National Party is in truth in any way concerned about Australia's international competitiveness, why is it that he stands for businesses in this country—that he stands for our nation—paying more to reduce carbon pollution than the international price—because that is what he stands for? He wants to put a bigger burden on our country than the top costs that are paid internationally. You are flinching at that, but that is your policy. If you think it is unacceptable then change your policy, because that is what it is: a costly, inefficient payment to polluters. That is what the National Party leader stands for. That would be worse for competitiveness and worse for the economy. The Leader of the National Party has to acknowledge that it is a far more costly plan.

Then, on the minerals resource rent tax, I do believe that, because the Australian people own the wealth in our ground, they are entitled to a share of that wealth when mining is at its most profitable. I understand that the Leader of the National Party and the Leader of the Opposition, given a choice between the Australian people and paying more money to those in mining—allowing them to keep all of their superprofits—would prefer to do the latter. My priority is assisting the Australian people.

If the Leader of the National Party is truly concerned about our competitiveness then why can't he do the same thing that has been done by a National Party Minister for Education in New South Wales—a minister who actually cares—

Mr Truss: Madam Speaker, this is a point of order about relevance. This is supposed to be about efficiency of government decisions. That is what the question was about, and the minister is raving on about some kind of policy—

The SPEAKER: The Leader of the Nationals will resume his seat. The Prime Minister has the call.

Ms GILLARD: Yes, I am talking about the education of Australia's children, and that means I am talking about the competitiveness of our economy and its prosperity for the long term. I do understand that those opposite, because they stand for a plan which would see $16.2 billion less invested in education, are uncomfortable when we talk about the importance of education to our competitiveness, but I would say to the Leader of the National Party: take a leaf out of Minister Piccoli's book and be prepared to put Australia's children first. If one National can do that then surely another National can do that. To the Leader of the National Party: yes, that means him.

Work and Family

Mr BANDT (Melbourne) (14:19): My question is to the Minister for Employment and Workplace Relations. Many people are under increasing pressure in finding it difficult to balance work and home responsibilities. Despite this, a short time ago Labor and the coalition voted to defeat my bill that would give people, and especially carers, an enforceable right to flexible working arrangements subject to it not unduly impacting on their employer.
Does the government agree that people and carers who seek better work-life balance should have an enforceable right to request flexible working arrangements and a right to appeal if their boss unreasonably says no?

**Mr SHORTEN** (Maribyrnong—Minister for Financial Services and Superannuation and Minister for Employment and Workplace Relations) (14:20): I would like to thank the member for Melbourne for his question. I do accept that he, unlike many of those opposite, is interested in getting work-life-family balance right. But what I can report to him, to the House and to people listening is that a key objective of the Fair Work Act, which Labor brought in, is to get work-life-family balance right. We heard a meaningful and heartfelt speech from the Leader of the Opposition about the impact of work-life-family balance upon the member for Batman's statements yesterday. It is important to say those things, but it is important to mean those things.

For the first time ever, because of a Labor government—and only a Labor government—employees have the right to request flexible working arrangements. We were the first government in Australia to ever do that, and we are proud of that. We extended it to parents of children who are under school age and to parents of children of school age with a disability. It was designed, when we introduced it, to promote genuine discussion between employees and employers. It is about getting right the process of discussion between employees and employers—balance in the workplace. What happens now is that the employee puts in the request in writing. It has to be detailed. The employer has 21 days to respond in writing to say yes or, if not, what are the reasonable business reasons why it is not happening.

We are choosing to expand the right to request—I know the member for Melbourne supports at least this—to carers, parents and school aged children, people with disabilities who are employees, victims of domestic violence and people helping victims of domestic violence, and to mature age workers. We are also providing guidance for employers on how it should work. We believe that those amendments are worthy of support next week in the House.

But in terms of the member for Melbourne's question, despite his question, the evidence of the experts shows that our current system is working. Eighty-one per cent of all requests have been accepted as is, another 8.4 per cent of the remaining requests were accepted with variation, and only 10 per cent of cases were rejected for reasonable business grounds. So I can assure the member for Melbourne that, under Labor, the Fair Work system is actually working. I can give some other evidence to support that. Labour productivity has been up for the last seven quarters, industrial action is down under Labor and 960,000 jobs have been created. We have had one-third of the average industrial action as opposed to those people opposite. But we know that there is a real threat to people's working conditions. We know that. Those opposite are desperately trying to hide it—the backflipping opposition, when they have a policy one day and not another the next. We know that were they ever to get the privilege of being the government of Australia they would bring back individual contracts and they would attack penalty rates. We know that they already have a big new tax on 3½ million low-paid workers. The mob opposite watched the Robin Hood film, except they barracked for the Sheriff of Nottingham. Shame on you!
DISTINGUISHED VISITORS

The SPEAKER (14:23): I inform the House that we have present in the gallery this afternoon members of the Pacific Parliamentary Partnerships program. On behalf of the House I extend a very warm welcome to the participants of this program.

Honourable members: Hear, hear!

The SPEAKER: We also have students who are involved in the National Student Leadership Forum on Faith and Values in the gallery today. I welcome them to the House also and wish them well in their gatherings.

Honourable members: Hear, hear!

The SPEAKER: We also have a delegation from the Republic of Korea who are part of the sister city relationship with the City of Canterbury. I welcome you all to the House today.

Honourable members: Hear, hear!

QUESTIONS WITHOUT NOTICE

National Plan for School Improvement

Mr CHAMPION (Wakefield) (14:24): My question is to the Minister for School Education, Early Childhood and Youth. Will the minister update the House on how schools in regional and remote communities will benefit from the National Plan for School Improvement? Why is this investment so important for the children who live outside of our capital cities?

Mr GARRETT (Kingsford Smith—Minister for School Education, Early Childhood and Youth) (14:24): I thank the member for Wakefield for that question. In his electorate he has seen this government's commitment to supporting education—200 Building the Education Revolution projects, improving facilities in schools; trades training centre opportunities; and Computers in Schools. This is the mark of this Labor government.

It has been good news today and I want to applaud the leadership shown by the Chief Minister of the ACT for her vision to invest, alongside the Premier of New South Wales, in the National Plan for School Improvement. On this side of the chamber we understand that in fact schools in the bush carry much of the disadvantage in our school system. That is because quite often they are remote from services—they might be schools that do not have the opportunity to get access to good programs. It is particularly important that the National Plan for School Improvement provides for them.

Schools in regional Australia do a good job, and I have visited some great ones—Bega Valley Public School in the electorate of Eden-Monaro, Ross Park Primary in Lingiari, Seymour College—but the broader results show us that children in the schools do not do as well as their equivalents in metropolitan Australia. Now the National Plan for School Improvement will deliver around $6 billion in extra funding for regional and remote schools in country areas over the next six years. That is because the funding model is based on need and because the needs in rural and regional Australia are great.

I am asked why the investment is important. The fact is that if a kid gets the support in school, whether it is through an additional teachers aide, literacy coach or homework clubs, then they will do better in school. If they do better in school, they can get a better job and they can contribute to both the community and the economy of regional Australia. Our regional Labor MPs get it. The crossbench gets it—they know how important the National Plan for School Improvement is for the bush. The New South Wales Minister for Education gets it. The only people who do not get this particular fact are those opposite.
Members opposite talk a big game—I hear them all the time—about how they profess to stand up for the bush. They are always talking about standing up for the bush and how passionate they are about rural and regional Australia. Now is the time to show how fair dinkum you are, because the National Plan for School Improvement means better education for all Australians—more funding, but particularly for students in the bush. Under Mr Abbott and Mr Pyne funding will go backwards. Under the National Plan for School Improvement funding will go forwards and land in the schools in rural and regional Australia. It is time that the National Party stood up for those students and those schools. We will deliver a National Plan for School Improvement. (Time expired)

**Australian Federal Police**

Mr KEENAN (Stirling) (14:27): My question is to the Prime Minister. I remind the Prime Minister that in her East Timor solution speech to the Lowy Institute before the last election, she praised the Australian Federal Police for working with our neighbours to prevent 'foreign nationals coming to our shores illegally'. Given that 35,000 foreign nationals have arrived illegally since that statement, why has her government reduced the presence of AFP officers in Indonesia by 40 per cent?

Ms GILLARD (Lalor—Prime Minister) (14:28): I thank the member for his question. With the Minister for Immigration and Citizenship, the government is working on some new measures in this area and when we are in a position to announce their details we will.

**Infrastructure**

Mr MARLES (Corio) (14:28): My question is to the Minister for Infrastructure and Transport and the Minister for Regional Development and Local Government. Why is it important to take—

The SPEAKER: Order! The member will resume his seat. The member for Dickson was earlier warned. I am seeking silence. I actually cannot hear the question. The member for Corio has the call and will commence again.

Mr MARLES: Thank you, Speaker. My question is to the Minister for Infrastructure and Transport and Minister for Regional Development and Local Government. Why is it important to take a considered approach to infrastructure investment, with proper consultation around funding decisions? How is this approach reflected in this year's budget and in the government's policies, and what has been the response?

Mr Dutton interjecting—

Mr Shorten interjecting—

The SPEAKER: The member for Dickson will leave the chamber under 94(a).

The member for Dickson then left the chamber—

The SPEAKER: The Minister for Employment and Workplace Relations is warned! The member for Dickson had been warned twice previously. The Minister for Infrastructure and Transport has the call.

Mr ALBANESE (Grayndler—Leader of the House, Minister for Infrastructure and Transport and Minister for Regional Development and Local Government) (14:30): I thank the member for Corio for his question and his support for important infrastructure development which is important for his electorate, including the Regional Rail Link, the largest ever federal investment in any public transport project in Australia's history. Indeed, we have overhauled the way that we plan, prioritise finance and build infrastructure in this country. We have done it by getting the
policy framework right, by establishing Infrastructure Australia which, since it was formed, has put 15 projects on the ready-to-proceed list. And all 15, as a result of the budget this year, have now been funded, with additional funding for the two managed motorways projects in Melbourne and the Melbourne Metro, and the Cross River Rail.

In Melbourne we have allocated $3 billion for the Metro project, which is necessary to open the rail network up for the future. You need to do the Melbourne Metro as a precondition for doing anything else on the Melbourne network, including extensions with spurs to Doncaster, Tullamarine airport and, of course, Avalon Airport. Unless you fix the Metro you cannot do other measures. We had discussions with the Victorian government over many years. It has a robust case that was submitted, letters exchanged to confirm agreements, but all was undermined by this Leader of the Opposition's negativity. He not only says that he will not fund public transport projects; he is onto state governments saying they should renege on the written agreements that were done, negotiated in good faith. Similarly with the Brisbane Cross River Rail project: $715 million from each level of government, fifty-fifty funding, Australian government guarantee of private sector debt, the GST concession on both projects that was asked for. On both projects, state governments saying they should renege on the written agreements that were done, negotiation in good faith. How does the Prime Minister reconcile that statement with the fact that all police commissioners have agreed that address details of asylum seekers released into the community on bridging visas should be made available to police, that this request has been made to the department of immigration and that this request has been denied?

Mr Ewen Jones interjecting—

The SPEAKER: The member for Herbert will leave the chamber under 94(a).

The member for Herbert then left the chamber—

Mr ALBANESE: We on this side will continue to stick to our agreements. We will continue to deal with important issues such as dealing with urban congestion in our cities. (Time expired)

The SPEAKER: Before I call the member for Cook, I would like to welcome back to the House the former member for Port Adelaide Rod Sawford. We miss his literary enlightenment in the place.

Asylum Seekers

Mr MORRISON (Cook) (14:33): My question is to the Prime Minister. I remind the Prime Minister that yesterday she told the House:

… if police request information then, of course, police requests are answered …

How does the Prime Minister reconcile that statement with the fact that all police commissioners have agreed that address details of asylum seekers released into the community on bridging visas should be made available to police, that this request has been made to the department of immigration and that this request has been denied?

Ms GILLARD (Lalor—Prime Minister) (14:33): To the shadow minister's question, what I can say is that there are two issues. There is the general issue he raises and there is a more specific issue involving New South Wales. On the more specific issue involving New South Wales I can advise the member who asked the question, and the House, that there is work happening between senior officers of the immigration department and the—

Mr Morrison interjecting—
The SPEAKER: Order! Does the member for Cook want an answer or not?

Mr Morrison: I do.

The SPEAKER: Then he could listen in silence.

Ms GILLARD: I would have thought the member would be interested in this, that there is work happening between senior officers of the department of immigration and the assistant commissioner in New South Wales. On other issues involving police then there is ongoing work between the department and those police services.

Mr MORRISON (Cook) (14:34): I have a supplementary question to the Prime Minister. Why is the government making the work of our state and territory police forces harder by denying them the information, which they continue to deny, that they say is necessary to do their job of keeping our community safe?

Ms GILLARD (Lalor—Prime Minister) (14:35): First of all, the imputation in the question is not correct. Second, federal agencies—

Mr Morrison: You're not giving them the information.

The SPEAKER: The member for Cook will leave the chamber under 94(a).

The member for Cook then left the chamber—

Ms GILLARD: As usual, the opposition cannot stand facts because they get in the way of its fear campaign, and one of the masters of fear campaigning in the opposition ranks is leaving the chamber now. To the member, as he leaves the chamber, who is trying to raise—

Mrs Bronwyn Bishop: Madam Speaker, on a point of order: the answer needs to be directly relevant and 'directly' has a specific meeting as a result of the change to the standing orders. There is no way in the world that a diatribe about the member is answering it.

The SPEAKER: The member for Mackellar will resume her seat. She is abusing points of order.

Government members interjecting—

The SPEAKER: I might chuck somebody else out if they're not careful! If I could work out who it was they'd be gone. The Prime Minister has the call.

Ms GILLARD: I was talking about fear campaigns as opposed to facts. If the opposition does want the facts, as opposed to simply shouting and carrying on, then the facts are these. The member for Cook has consistently claimed that a request from law enforcement agencies has been received. No formal written request has been received. A request for information was made in conversations between the New South Wales Police Commissioner and the department. This request resulted in an initial discussion, and work is ongoing.

Retirement Savings

Mr MURPHY (Reid) (14:36): My question is to the Minister for Employment and Workplace Relations and Minister for Financial Services and Superannuation. Minister, how have the government's policies consistently supported giving Australians a stronger retirement? Minister, what other policies are there? Minister, what would be their impact?

Mr SHORTEN (Maribyrnong—Minister for Financial Services and Superannuation and Minister for Employment and Workplace Relations) (14:37): I thank the member for Reid for his question and I know he is very interested in making sure that all Australians have a decent retirement income. I can report to him and members of the House and people listening that the Labor government has done much to improve the
retirement savings of all Australians. We have increased the superannuation payment from nine to 12 per cent for 8½ million Australians. We have increased the concessional cap so people over 60 and over 50 can pay more money into their super to support them in retirement—half a million winners in that policy. We have abolished the age limits so people of any age can get superannuation. There are 50,000 of these people working who this year will get more superannuation. And I think, very significantly, Member for Reid, we have abolished the 15 per cent tax paid by 3½ million people who earn less than $37,000. I think by any reasonable measure these changes are not detrimental; they are positive. They are not adverse consequences; they are positive consequences.

But I am asked by the member for Reid what are the alternative policies and what are the other ideas around. I think when evaluating policies I might do what I do not often do. I will borrow from the filter used by the Leader of the Opposition. The Leader of the Opposition on occasions says things which attract attention. At the National Press Club he said on 31 January this year, 'There will be no unexpected changes that are detrimental to people with superannuation.' Not content with saying it once, he crowed again, on 28 March: 'There will be no unexpected adverse changes.' And on 6 April he repeated this promise. So you can imagine my surprise and disappointment when, in the reply to the budget, none other than the Leader of the Opposition said, 'Well, in fact, we will confirm our big new tax on 3½ million Australians. We, the coalition—the worst friend that the low paid have ever had in Australia—we will make every person who earns less than $37,000 pay not five per cent more tax and not 10 per cent more tax.' This mob opposite, if elected, want every poor worker, every poor employee and every part-time employee in Australia to pay 15 per cent. That is even bigger than the GST they have got in their back pocket.

And it gets worse than that. Those opposite want to freeze the increase in superannuation from 9¼ to 10 per cent. Under the opposition that will cost a 30-year-old earning average weekly full-time wages, man or woman, $20,000. So, Member for Reid, what I can tell you to say, when you are talking to your constituents about superannuation, is that we in government are increasing superannuation, we are increasing concessional caps, we have got rid of the discrimination, we are looking after the low paid. But be very careful of those opposite, Member for Reid, if they freeze the increase to super—because they do not like compulsory superannuation. There is no doubt in my mind that apart from the big new tax they will freeze super forever. (Time expired)

National Security

Ms JULIE BISHOP (Curtin—Deputy Leader of the Opposition) (14:40): My question is to the Prime Minister. I remind the Prime Minister that ASIO data confirms that people who arrive illegally by boat are more than 20 times more likely to receive a negative security clearance or qualified assessment after security checks than all other immigration cases ASIO reviews. Given this heightened level of risk among illegal boat arrivals and that these are only light-touch assessments, does the Prime Minister maintain such security assessments are satisfactory?

The SPEAKER: The Prime Minister has to call.

Ms GILLARD (Lalor—Prime Minister) (14:41): Thank you very much, Speaker. There is no mystery why the Deputy Leader of the Opposition is asking this question today. I have been asked questions about this
kind of matter all week by the Leader of the Opposition, only to have it revealed that he has not been briefed by ASIO once during the term of this parliament. So I am not at all surprised that when it comes to matters involving ASIO the opposition approaches these matters with so little knowledge and so little understanding, because the Leader of the Opposition has shown so little care to become informed.

**The SPEAKER:** The Prime Minister will return to the question.

**Ms Julie Bishop:** On a point of order, Madam Speaker, I am asking about ASIO data that confirms that people who arrive by boat are 20 times more likely—

**The SPEAKER:** The Deputy Leader of the Opposition will resume her seat.

**Ms Julie Bishop:** to receive a negative assessment.

**The SPEAKER:** The Deputy Leader of the Opposition will resume her seat! I was in the process of asking the Prime Minister to return to the question when you stood up. The Prime Minister will return to the question before the chair.

**Ms GILLARD:** Thank you very much, and to the deputy leader's question: if the Leader of the Opposition is interested in these matters, then some time he may seek to avail himself of a briefing from ASIO. ASIO is obviously a very important enforcement agency for our national security and if the Leader of the Opposition ever has the slightest thought about national security he may want to allocate the time for a briefing. On the question of security assessments undertaken by ASIO—

**The SPEAKER:** The Prime Minister will resume her seat. The Manager of Opposition Business on a point of order other than relevance.

**Mr Pyne:** Madam Speaker, you quite correctly asked the Prime Minister to address the question that she was asked and she is totally ignoring your ruling.

**The SPEAKER:** The Manager of Opposition Business will resume his seat.

**Mr Pyne:** If she doesn't want to answer the question she should admit it.

**The SPEAKER:** The Manager of Opposition Business is on very thin ice. The Prime Minister has the call and will return to the question before the chair.

**Ms GILLARD:** On the question of security assessments by ASIO, the government is satisfied by present arrangements.

**Ms JULIE BISHOP** (Curtin—Deputy Leader of the Opposition) (14:43): I rise on a supplementary question. Is the Prime Minister aware that the current security assessments for illegal boat arrivals that she claims are satisfactory were described by her own department of immigration as 'a light touch'?

**Ms GILLARD** (Lalor—Prime Minister) (14:43): To the Deputy Leader of the Opposition: once again if the opposition wants to seriously come to grips with these questions please get a briefing. In terms of arrangements—

**Ms Julie Bishop:** On a point of order, I have had briefings. That is why I know it is called a light touch.

**The SPEAKER:** The deputy Leader of the Opposition will resume her seat.

**Ms Julie Bishop:** I asked if the Prime Minister agrees that it is a—

**The SPEAKER:** The Deputy Leader of the Opposition will resume her seat. The Prime Minister has the call and will be relevant to the question before the chair.
Ms GILLARD: My offer was obviously to the opposition leader too. The government is satisfied with the arrangements that have been made for security briefings.

Families

Mr MITCHELL (McEwen—Government Whip) (14:44): My question is to the Minister for Families, Community Services, Indigenous Affairs and Disability Reform. Will the minister update the House on how the government's policy agenda will build a fairer future for families. And when it comes to policies, what is the choice facing Australian families?

Ms MACKLIN (Jagajaga—Minister for Families, Community Services and Indigenous Affairs and Minister for Disability Reform) (14:44): Thank the member for McEwen very much for that question. He represents an electorate with a very large number of growing families, and he represents them very well. I think he would know that this Australian government has been delivering paid parental leave to many people in his electorate, and, of course, to 280,000 families right across this country.

He would also know—and this would be benefitting many families in his electorate, as well—that this government has delivered the schoolkids bonus to more than one million Australian families. So families in McEwen know that this Australian government has been delivering paid parental leave to many people in his electorate, and, of course, to 280,000 families right across this country.

Yesterday in the parliament we saw both the Liberal Party and the Nationals supporting the government's decision to abolish the baby bonus. We appreciate their support, and we understand that they also voted to support the additional measures that we are putting in place so that families with a new-born baby get some extra help when that baby comes along. But, of course, this decision came after the Leader of the Opposition said, just a week or so ago, that he did not like this measure; and after the member for North Sydney said that they would vote against the extra support for lower- and middle-income families; and after the shadow Treasurer said, in response to another change that they supported last night, that that was just like the one-child policy in China. And the member for Menzies added to all of this, when he came to the dispatch box a few weeks ago talking about that government's changes, that the opposition would be opposing them.

So Australian families are completely confused about what those opposite intend to do. And the same applies to this Leader of the Opposition's rolled-gold policy on paid parental need. We have had so many members opposite coming out and saying that they oppose it. The member for Gippsland knows that it is an unfair policy. Of course, the member for Mitchell has been out there saying that it does not pass the fair-go test. The member for Moore and Senator Joyce, of course, do not agree with it, either.

More recently we saw that the member for Tangney did not agree with it. Just yesterday one of the Nationals said that he does not even think it will ever happen. Senator Williams said yesterday, 'We will just see, in three years time, what happens.' (Time expired)

National Broadband Network

Mr TURNBULL (Wentworth) (14:47): My question is to the Prime Minister, and I refer her to reports of substantial exposure to asbestos in Telstra pits that are being re-opened as part of the construction of the NBN. What are the implications of this risk of asbestos contamination for the health and safety of both workers and adjacent residents, and how will the proper
management of the asbestos risk impact on the NBN's rollout schedule?

Ms GILLARD (Lalor—Prime Minister) (14:48): I thank the member for Wentworth for his question. He does raise a very serious issue. Certainly, I take the issue of asbestos exposure very seriously, as does the government. The health and safety of the community and workers is always paramount, and we know what a dangerous material asbestos can be.

The government expects Telstra and their contractors to follow Australia's strict laws in the handling and removal of asbestos when it comes to preparing their pits and ducts for the rollout of the NBN. These pits and ducts are owned by Telstra, and it is their responsibility to get them ready for the NBN rollout in a safe and secure way. I acknowledge Telstra's acceptance of their responsibility and the additional actions they have announced today. Telstra chief operations officer Brendon Riley has said today, 'This is our responsibility. We will take direct control of all asbestos related activity performed by our contractors.' Telstra previously ordered an immediate halt to all new remediation works until a comprehensive national audit of these processes is completed.

Telstra will now employ up to 200 extra field inspection workers to ensure all asbestos related remediation activity is supervised by an accredited person. The temporary stop-work on pit remediation will stay in place for contractors until they have completed further training on the safe handling and disposal of asbestos. Following all of this, Telstra will work with Comcare and an accredited training partner to review and update the mandatory training program that all Telstra contractors will need to implement before they are approved to work. Telstra is also going to implement stronger community engagement guidelines to give the community more information. Now, of course we take all of this very seriously. Comcare inspectors are investigating the work health and safety systems of Telstra and its contractors. The Office of Asbestos Safety has been directed to coordinate a national response and work with Telstra and with the contractors on best practice. That is a lot of detail but I do want to emphasise to the House that there are no shortcuts when dealing with asbestos, and all safety procedures must be adhered to.

As this is all happening, NBN Co. will be working to maximise the rollout. Clearly, given this very serious issue of asbestos in Telstra pits and ducts, working with those pits and ducts will cause some delay as this audit work is done. But NBN rollout will continue in other places.

Health Care

Mr HAYES (Fowler—Chief Government Whip) (14:51): My question is to the Minister for Health. Will the minister update the House on how the government is delivering record funding on health, hospitals and medical research. Is there any obstacle to this?

Ms PLIBERSEK (Sydney—Minister for Health) (14:51): I thank the member for Fowler. He is very well aware of the importance of investment in health, particularly in health and medical research. We were out there just last year with the Prime Minister opening the new Ingham research institute in the member's electorate—a substantial investment from the Commonwealth but also a substantial investment from the Ingham family and others. We will continue to invest as a government in health and medical research because it pays off. You only need to look at the fine results we have had with our
Gardasil vaccination program for girls and now boys, and the miracle of sound being brought to millions of children around the world with Cochlear implants.

We are also looking at how we can better embed health and medical research right across our health sector as recommended by the McKeon review. We will continue to invest but also change the way we do research. In this last budget we have invested in better support for clinical trials, and our funding for the Health and Medical Research Council continues to increase, from $771 million next year to $815 million in 2016-17—continued investment.

I am asked about obstacles and, I guess, the only obstacle is the opposition. We have heard from the opposition that they will quarantine health and medical research funding from budget cuts—flat-lining, quarantining, not cutting. Should we be really grateful that they are not taking the axe to it? Flat-lining would cost health and medical research—

Mr Hockey: You wanted to.

Ms PLIBERSEK: We are increasing health and medical research funding. Flat-lining would cost the health and medical research community $88 million between now and 2016-17. Flat-lining is a cost because it means health and medical research funding does not keep up with growing expenses.

The other thing that this comment that they are quarantining health and medical research tells us is that everything else is on the chopping block. Are they going to quarantine funding for hospitals? Are they going to quarantine funding for medicines? Are they going to quarantine funding for health workforce training? Are they going to quarantine funding for bush services? No, none of these things are quarantined. I can tell you why. As health minister, the Leader of the Opposition cut health funding. He has been out there supporting Campbell Newman and the Victorian government and others when they cut health funding. He said that he will cut $1.2 billion from Medicare Locals, from primary health care—more recently that has been a little unpopular, so now he is hiding behind a review.

Now we have the member for Tangney talking about austerity. Austerity in health care means cutting funding. We have seen them backflip on private health insurance and I welcome that because that goes towards dental and towards disability care. From one day to the next, you cannot tell where the opposition are on health funding. They are tricky—(Time expired)

Asylum Seekers

Ms JULIE BISHOP (Curtin—Deputy Leader of the Opposition) (14:54): My question is to the Prime Minister. I refer the Prime Minister to the answer that she gave to my previous question where she confirmed that the current security assessments were satisfactory. Is the Prime Minister's idea of satisfactory arrangements those that enabled an accused terrorist to be held at Inverbrackie detention centre for a year and an accused Sri Lankan murderer to be released into the community on a bridging visa? Is that the Prime Minister's idea of satisfactory?

Ms GILLARD (Lalor—Prime Minister) (14:55): To the deputy leader, let us be very clear about what happens with security checks and why I use the terminology 'satisfactory'. First and foremost, all asylum seekers are subject to the following security checks—

Opposition members interjecting—

Ms GILLARD: Well, no amount of screaming will change the facts and I am going to advise the parliament of the facts. All asylum seekers are subject to the
following security checks, which are assessed against comprehensive intelligence holdings that compile information from the AFP, ASIO, Customs and the Department of Immigration and Citizenship. This happens upon arrival, when being considered for community detention or release on a bridging visa E, when having been found to meet the definition of a refugee and when applying for a subsequent visa or citizenship. These are rigorous checks designed to identify visa applicants or visa holders whose entry into or continued stay in Australia may present a risk to national security.

During the course of this week in question time there has been some discussion of the recent review of the administration and expenditure of Australia's intelligence agencies tabled on Monday by the Parliamentary Joint Committee on Intelligence and Security. Indeed, I think the Leader of the Opposition himself was talking up the significance and rigour of that report. I would remind the House that when it came to visa security, the joint committee that the Leader of the Opposition spoke so glowingly about found that 'it was satisfied that the current regime for visa security assessments is the correct one'.

Mr Melham: Phil Ruddock is on that committee, isn't he?

The SPEAKER: Is the Deputy Leader of the Opposition seeking to table a document?

Ms Julie Bishop: Yes.

Mr Melham interjecting—

The SPEAKER: Order! The member for Banks is warned!

Ms Julie Bishop: I seek leave to table the answers from the Deputy Secretary of the Department of Immigration and Citizenship given at the Senate Estimates on 21 May that describe the security assessments as a 'light touch'.

Mr Albanese: The other day I did not agree to have House of Reps Hansard tabled in the House of Reps Hansard. I am less likely to agree to have Senate Hansard tabled in the House of Reps Hansard. No.

Budget

Mr Lyons (Bass) (14:57): My question is to the Assistant Treasurer. Will the Assistant Treasurer update the House on how the budget will help build a stronger, smarter and fairer nation for Australian families, and what would families have to look forward to under other approaches?

Mr Bradbury (Lindsay—Assistant Treasurer and Minister Assisting for Deregulation) (14:58): I thank the member for Bass for his question. I had the pleasure of joining the member for Bass in his electorate in Launceston last week. It was a good opportunity to talk to some locals there about how our budget sets out a plan for Australia's future. With our government focusing in on jobs and growth, families have a lot to look forward to. They can look forward to a stronger economy with more investment in infrastructure. They can look forward to a fairer society with a fully funded National Disability Insurance Scheme. And of course they can look forward to a smarter country where we make the necessary investments to give every child the opportunity to get the education they deserve.

I take the opportunity to welcome the fact that the ACT today has signed up to a plan that will ensure that their schools will be funded so that they can become world class. I know that that has been welcomed by families all around the ACT today. That is what families have to look forward to under our government. But, of course, families would face a very different future if the
Leader of the Opposition were to get elected. Don't believe me—listen to the member for Tangney. The member for Tangney is out there today and he spilt the beans. He said, 'If elected, an Abbott government would need to put in place austerity measures.' These are the sorts of failed policies that have driven economies in Europe into recession and they have driven millions of people onto unemployment queues. And that is the recipe of those opposite for Australia's future.

They have already given us a little bit of an indication of the hit list of policies that they have on their agenda that will slug families. They have told us about their $20 billion paid parental leave tax, which will drive up the cost of living for all Australians. They have told us about their cuts to retirement savings, how they will abandon the increase in the compulsory superannuation contributions. They have told us how they will jack up taxes on the lowest-paid workers when it comes to super. And they have also told us about how they will cut the Schoolkids Bonus.

But make no mistake about it, they will not stop there. We know that because they have already announced their secret commission of cuts. It will be a commission of cuts that will give them more and more ideas when it comes to how they can slug families with higher taxes and deeper cuts. First, we had the member for North Sydney out there saying, 'We have got to end this age of entitlement.' Then, we had the Leader of the Opposition out there saying, with his confected outrage, that this is an age of emergency.

We all know what we will get if they are elected—it will be an age of austerity, with cuts, cuts and more cuts. Labor stands for jobs and growth. The only thing you will get out of the Liberals is cuts to the bone.

**School Education**

Mr **PYNE** (Sturt—Manager of Opposition Business) (15:01): My question is to the Minister for School Education, Early Childhood and Youth. I refer the minister to this letter from Mary MacKillop College, a Catholic school in my electorate. I quote: 'It is time for our schools to plan their budgets and set their school fees for 2014. This is impossible to do when the level of funding of our schools is still not clear.' Can the minister tell this House how much additional funding Mary MacKillop College can expect in 2014?

Mr **GARRETT** (Kingsford Smith—Minister for School Education, Early Childhood and Youth) (15:02): I thank the shadow minister for his question. This is the shadow minister who said that the Gonski report was 'Conski' Then the shadow minister who said that the Gonski report was 'Conski'. Then the shadow minister said that it was a road map. He dismissed it within 20 minutes of it being released and ever since then he has done everything in his power to sabotage our National Plan for School Improvement which will see additional investment going to every school in this country, including in the member's electorate.

I make this point to the member opposite: whilst he goes around trying to sabotage our National Plan for School Improvement the interests of students in both his electorate and in every electorate in this country are at risk. The reason for this is straightforward: we have made it perfectly clear—

Mr **Abbott** : Speaker, I raise a point of order. The minister was asked a simple question: how much will MacKillop College get next year? It is a very simple question and he should be directly relevant to it.

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

*Honourable members interjecting—*
The SPEAKER: Order! When there is silence the minister will get the call.

Mr GARRETT: To the Leader of the Opposition and the shadow minister, the indexation commitments that are included in our National Plan for School Improvement mean that this school, as well as every other school in the country, including non-government schools, will see additional investments flow from 2014. I am hopeful that upon conclusion of our negotiations with the non-government school sector that same question will be asked of me in the parliament. But for the moment we should be under no illusions as to what lies behind this question because as we conclude these negotiations—

Ms Julie Bishop interjecting—

The SPEAKER: The Deputy Leader of the Opposition will leave the chamber under standing order 94(a). Continual interjection will not be tolerated.

Mr GARRETT: We should be under no illusions, nor should anyone listening be under any illusions, as to what is at stake. The question really is whether or not we will have a National Plan for School Improvement which will provide that additional investment to the school the member refers to, and every other school, or whether we have from the member opposite, who put the question to me, and the Leader of the Opposition 'A Non-Plan for School Improvement' which would see us continuing with a broken funding model and less investment going to schools around this country.

We are at a very interesting point in the future of the National Plan for School Improvement. The Premier of New South Wales recognises how important it is and he has chosen to sign up. The Chief Minister of the ACT recognised how important it is and she has chosen to sign up. I look forward to premiers from other states recognising how important it is and signing up and for the school in question and every other school to have the certainty of additional investment over time—over the period of six years—with the National Plan for School Improvement which is supported by additional investment for every school to lift the performance—

The SPEAKER: Order! The minister will resume his seat. A point of order on relevance has already been taken. Does the Manager of Opposition Business have a point of order?

Mr Pyne: Speaker, I move a procedural motion:

That the minister be granted a three-minute extension in order to allow him the time to answer Mary MacKillop College's very specific question.

The SPEAKER: The Manager of Opposition Business will resume his seat. There is a motion before the chair to extend the time for the member's question. Is there a seconder?

Mr Abbott: Yes.

The SPEAKER: Seconded by the Leader of the Opposition. I thank the House. The question is that the motion be agreed to.

Question agreed to.

The SPEAKER: The minister has the call. The ruling is that the minister gets half the time proposed by the member. The Manager of Opposition Business is pushing the bounds of friendship. The minister has the call.

Mr GARRETT: Thank you, Speaker. I have to say at the outset that we have enjoyed good cooperative relationship with all elements of the education sector. As we resolve the final details in our negotiations with them, and then have the opportunity to make them public, of course we will do so.
In fact, we believe in transparency here. If I look at what we have done with schools and investment in this nation, I can say that under this Labor government we have never in the Commonwealth had a period where there has been more investment or more substantial policy reform in education. Do not stand up here and play tricky questions at the end of this week when you are faced with the possibility that your policy will see less investment going to students in both your electorate and electorates around the country.

In case you have not remembered, this is the government that has been responsible for nearly doubling the investment in education over four years, the government that has improved every school facility in our nation with Building the Education Revolution, the government that has introduced for the first time a national curriculum, one that the shadow minister opposite now wants to rewrite according to his view of history. This is a government that totally understands that supplying additional resources to lift the skills and capacities of all young Australians is the charge that lies at the heart of our mission and our agenda. And we will deliver. (Time expired)

The SPEAKER: Order! The Manager of Opposition Business is seeking to table a document.

Mr Pyne: I seek leave to table a letter from the Principal of Mary MacKillop College.

The SPEAKER: The Manager of Opposition Business will resume his seat. The document was referred to in his question. Is leave granted.

Mr Albanese: Why not? It is Thursday afternoon.

Leave granted.

Clean Energy Finance Corporation

Mr CHEESEMAN (Corangamite) (15:09): My question is to the acting Minister for Climate Change, Industry and Innovation. Why is it important that the Clean Energy Finance Corporation act responsibly and discharge its legal obligations to invest in clean energy? Is the minister aware of other approaches to this and what would be their impact?

Mr ALBANESE (Grayndler—Leader of the House, Minister for Infrastructure and Transport and Minister for Regional Development and Local Government) (15:09): I thank the member for his question. Parliament established the Clean Energy Finance Corporation to invest in renewable and clean energy. This is investment which will allow Australia to tackle climate change and improve our economic competitiveness. We know that there has been a 30 per cent increase in renewable energy usage since we had a price on carbon. Parliament established the CEFC as an independent statutory authority. We legislated for it to make investments from 1 July 2013. Parliament appropriated the funds and told the corporation to get on with the job. Yet now we have the opposition leader standing over the corporation, asking it to breach its statutory obligations. That is without precedent in our parliamentary democracy. They are trying to bully an independent statutory authority into ignoring the will of the parliament and the law, besmirching the reputation of some of the most significant business people in Australia.

This is what the CEO had to say today about some of the claims.

There is no basis to claims that the CEFC is providing 'low-cost high risk loans' that 'no other financial institution would provide' or that we are a 'lender of last resort.'
The CEO has been very clear about the position of this corporation. In saying that they will repudiate contracts they are going to the heart of sovereign risk. This is the epitome of sovereign risk—legal obligations entered into under legislation carried by this parliament—and those opposite say that they should just ignore it. It is seriously undermining confidence in investment in this country. The Leader of the Opposition and those opposite are putting themselves above the law, above the parliament and above the voters. They want to slash investment in renewables and clean energy just like they are intending to thug the Premier of New South Wales and say they will withdraw the agreement between the New South Wales government and the Australian government to put more funding into schools.

Mr Pyne: Madam Speaker, on a point of order: I ask the Leader of the House to withdraw the statement he made about the coalition in relation to the New South Wales Premier.

The SPEAKER: Order! The Manager of Opposition Business will resume his seat. I will ask the member to withdraw.

Mr ALBANESE: I withdraw. The comments of the New South Wales Premier and education minister are all there on the record, putting the interests of schoolkids in New South Wales now and into the future above the partisan, narrow, political objectives of those opposite. The Leader of the Opposition wants to start cuts before the election, start future cuts, talking about repudiating agreements. He is not up to the job of leading this country.

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

QUESTIONS TO THE SPEAKER

Industrial Disputes

Mr HOCKEY (North Sydney) (15:13): My question is to you, Madam Speaker. I refer you to the Australian Bureau of Statistics data in relation to the total number of disputes ended and the working days lost.

The SPEAKER: Order! I am a bit confused by the member for North Sydney.

Mr HOCKEY: I am asking you a question.

The SPEAKER: The member for North Sydney could start the question and then use the example because I am a bit confused. If you would put the question and then the example, I would be more enlightened.

Mr HOCKEY: It goes to the information I provide you and the question makes no sense if I do not provide you with the information first. The ABS total number of disputes is now nearly what it was in 2007.

The SPEAKER: The member for North Sydney will resume his seat.

Mr HOCKEY: I have not finished—in relation to working days lost, which is five times higher now than—

The SPEAKER: The Leader of the House will resume his seat. The member for North Sydney has made reference to the ABS. Get to the question please.

Mr HOCKEY: I have not finished—in relation to working days lost, which is five times higher now than—

The SPEAKER: The member for North Sydney will put the question—

Mr HOCKEY: And I refer you to the statement by the minister for workplace relations when he said in question time that 'industrial action is down under Labor'. Will
you order the minister to come back into the House and correct the record on the basis of the ABS statistics that say it is five times higher today than it was—

The SPEAKER: The member for North Sydney will resume his seat. Is leave granted?

Mr Albanese: No, that is a complete abuse of the parliament.

The SPEAKER: The Leader of the House will resume his seat. The member for North Sydney will resume his seat. The member for Hume has the call.

PERSONAL EXPLANATIONS

Mr SCHULTZ (Hume) (15:15): Speaker, I wish to make a personal explanation.

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

Mr SCHULTZ: Most assuredly.

The SPEAKER: The member for Hume has the call.

Mr SCHULTZ: On Sunday, 19 May 2013, two reporters, Steve Lewis and Lanai Scarr, had an article in the Herald Sun headed 'On the road again'. I quote from the article the issue that I need to raise in this House today:

And while Tony Abbott has asked his colleagues to pare back foreign trips, a host of retiring Coalition members of parliament—including Patrick Seeker, Paul Neville, Mal Washer and Alby Schultz—have been dusting off their passports for visits to Indonesia, Vietnam, Paraguay, Zambia and Ecuador.

I just want to put on the public record that, over my 25 years in state and federal politics, I have heard some pretty classic examples of the bottom end of journalism but the two authors of that particular article have reached the tail end.

The SPEAKER: The member needs to show where he has been misrepresented.

Mr SCHULTZ: What they said is absolutely wrong; I have no intentions of going overseas. I never had any intentions of going overseas in the manner in which the article has been pushed out into the public arena.

Mr ABBOTT (Warringah—Leader of the Opposition) (15:17): Speaker, I wish to make a personal explanation.

The SPEAKER: Does the Leader of the Opposition claim to have been misrepresented?

Mr ABBOTT: I do.

The SPEAKER: The Leader of the Opposition has the call.

Mr ABBOTT: In question time today the Prime Minister claimed that I had not sought security briefings. I have in fact received security briefings. On 29 January 2010, on 1 February 2010, on 23 February 2010, on 10 May 2010, on 12 July 2010, on 21 August 2010, on 26 April 2011, on 16 December 2011, on 7 May 2012 and on three occasions in Afghanistan I received security briefings from officials of the Australian government.

Mr PYNE (Sturt—Manager of Opposition Business) (15:18): Speaker, I wish to make a personal explanation.

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

Mr PYNE: I do.

The SPEAKER: The member for Sturt has the call.

Mr PYNE: In question time today the Prime Minister suggested that I wanted to cut $16.2 billion from schools over the next four years. I seek leave to table the chart and the story in The Australian by David Crowe which utterly explodes the myth the government is trying to create. In fact, the only people wanting to cut funding are those in the government—by $325 million—
Thursday, 30 May 2013

HOUSE OF REPRESENTATIVES

The SPEAKER: The member will resume his seat. Is leave granted?

Mr Albanese: Not on your nelly.

PRIVILEGE

Mr TRUSS (Wide Bay—Leader of The Nationals) (15:18): Speaker, I rise on a matter of privilege. On Tuesday of this week in the House, the member for New England made malicious and false statements about Senator Barnaby Joyce. He claimed that:

The SPEAKER: The Leader of the National Party will resume his seat. The Leader of the House?

Mr Albanese: Speaker, on a point of order. I know he wants his job but what has that got to do with Senator Joyce? Senator Joyce should raise it.

The SPEAKER: Order! The Leader of the House will resume his seat. The Leader of the National Party has the call on a matter of privilege.

Mr TRUSS: I will read the quote from the start:

In the seat of New England there are significant rumours that the National Party candidate for New England, who is currently a—

The SPEAKER: The Leader of the National Party will resume his seat. The Leader of the House?

When questioned about these matters on Sky News AM Agenda this morning, Mr Windsor was asked by Kieran Gilbert, 'What proof do you have for that suggestion?' Tony Windsor said, 'I do not have any proof.' Kieran Gilbert said, 'So it was a rumour.' Tony Windsor said, 'Yes, I said it was a rumour.' Nevertheless, the member for New England had achieved his objective which was to have the baseless innuendo given prominence in the Tamworth's The Northern Daily Leader.

The SPEAKER: Could the Leader of the National Party come to the issue where he believes privilege has been breached?

Mr TRUSS: The actions of the member for New England and his penchant for baseless and unproven accusations have again—it seems to me—breached parliamentary privilege. I ask you, Speaker, to review Hansard and the Sky News transcript and the statement by Ms Rinehart and consider whether there is a prima facie case of a breach of privilege, given that the statement by the member for New England was clearly made with malicious intent. I am happy to table these documents which might help you in your deliberations.

The SPEAKER: The Leader of the House on a point of order?

Mr Albanese: That was a complete abuse and went precisely to what the member for New England is accused of by the Leader of the National Party, which is saying something in order to put it on the Hansard record.

DOCUMENTS

Presentation

Mr ALBANESE (Grayndler—Leader of the House, Minister for Infrastructure and Transport and Minister for Regional Development and Local Government)
(15:22): A document is presented in accordance with the list circulated to honourable members earlier today. Full details of the document will be recorded in the Votes and Proceedings and Hansard.

AUDITOR-GENERAL'S REPORTS

Audit Report No. 40 of 2012-13


Ordered that the report be made a parliamentary paper.

COMMITTEES

Selection Committee

Report

The SPEAKER (15:22): I present report No. 82 of the Selection Committee relating to the consideration of bills. The report will be printed in the Hansard for today. Copies of the report have been placed on the table.

The report read as follows—

Report relating to the consideration of bills introduced 27 to 30 May 2013.
1. The committee met in private session on 29 and 30 May 2013.
2. The committee determined that the following referrals of bills to committees be made—
   - Standing Committee on Economics:
   - REASONS FOR REFERRAL/PRINCIPAL ISSUES FOR CONSIDERATION:
     - Particular focus on the schedules that:
       - Bring entities that provide tax agent services in the course of giving advice concerning a client's financial affairs within the regulatory regime of the Tax Practitioners Board ensuring the consistent regulation of all forms of tax advice, irrespective of whether it is provided by a tax agent, a business activity statement agent or an entity in the financial service industry;
       - Improve the transparency of Australia's business tax system by requiring the Commissioner of Taxation to publish limited information about the tax affairs of large corporate taxpayers and those entities with a resource rent tax liability;
       - Allow for the publication of certain aggregate tax information irrespective of whether the publication, in conjunction with publicly available information, may be reasonably capable of being attributed to a particular corporate tax payer; and
       - Allow for enhanced information sharing between government agencies in relation to decisions under the Foreign Acquisitions and Takeovers Act 1975 and Australia's foreign investment policy.
   - Standing Committee on Education and Employment:
     - Early Years Quality Fund Special Account Bill 2013.
     - REASONS FOR REFERRAL/PRINCIPAL ISSUES FOR CONSIDERATION:
     - Serious concerns regarding the decision to only fund a pay rise for around one third of the long day care workforce. This is highly inequitable and will only seek to create a two-tiered system of childcare in this country. The panel responsible for determining the eligibility criteria fails to include representation from the peak body that represents 70% of the private sector, however, have included significant representation of the not-for-profit and community sectors, plus union representation. This bill needs serious consideration and consultation from the sector to determine whether this wage fund as designed will in fact be detrimental to the sector.
   - Joint Standing Committee on Foreign Affairs, Defence and Trade:
REASONS FOR REFERRAL/PRINCIPAL ISSUES FOR CONSIDERATION:

To review the commitment that Australia will be entering into in terms of membership of the: (i) African Development Group; (ii) African Development Bank; and (iii) African Development Fund. And to further review the financial commitment Australia is to provide, along with any other terms within the agreements being entered into.

Standing Committee on Social Policy and Legal Affairs:

REASONS FOR REFERRAL/PRINCIPAL ISSUES FOR CONSIDERATION:

Concerns regarding the implications of the amendments particularly Plant Breeder's Rights and the Trans-Tasman patent application and examination processes.

3. Correction to report No. 81

The Committee corrected a typographical error in report No. 81, to confirm that the time allocated for debate on the Voice for Animals (Independent Office of Animal Welfare) Bill 2013 on 3 June 2013 was 6 x 5 min (total 30 minutes).

MATTERS OF PUBLIC IMPORTANCE

Economic Competitiveness

The SPEAKER (15:23): 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 urgent need for consistent economic policy to address Australia's declining economic competitiveness.

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) (15:23): I thank my colleagues for supporting this matter of public importance and I bid them leave to be able to not listen to the speech if they choose. For the families of Australia there is no more important issue than the state of our economy and where we are heading as a nation. As the Treasurer makes a mockery of his own budget and tells Australians that all is rosy, the alarm bells are ringing about the state of our competitiveness.

Under Labor, Australia is becoming more regulated and less competitive. Business now has to deal with not only the carbon tax, a mining tax and a fragile consumer sentiment but also over 21,000 new regulations imposed by the Labor Party in just 5½ years of government. The Treasurer does not need to listen to the opposition about the challenge. He does not even have to listen to his own people about the challenge. Peak business leaders and international organisations have been warning now for years that Australia's slip-shod policymaking, our lacklustre productivity growth and Labor's addiction to taxing and spending have gradually eroded our competitiveness.

Today's 2013 IMD World Competitiveness Yearbook, produced in collaboration with CEDA, the Committee for Economic Development of Australia, was a stern wake-up call for all. The competitiveness result is the worst result for Australia in 17 years. Even for our Treasurer this is a new low. But it gets worse: as Australia's competitiveness declines, obviously the competitiveness of countries we compete against is improving. The rankings show that, in labour productivity growth, Australia has dropped from No. 26 in the world to No. 51—and that is out of 60 surveyed. So we are in the bottom 10. The president of CEDA—and one of your predecessors, Speaker, as a
Labor Speaker—Dr Stephen Martin, could not be clearer about this, and he said last night:

The key issue is that we are seeing other countries such as China, Argentina and Chile rapidly improve this measure of economic efficiency.

While they are not at our levels yet, they are catching up at a rapid pace and we need to look at productivity-enhancing reforms now rather than when we fall behind.

The full results of this competitiveness survey make for sobering reading. Overall, Australia has slumped from a peak of fourth place in 2004 to 16th place in 2013.

Of course, the government will blame everything, and they will blame others, but whatever they claim cannot be believed. For example, for the survey of key attractiveness indicators, only eight per cent of respondents found that competency of government was an attractive feature of the Australian economy. What does that say about the other 92 per cent?

Only five per cent of respondents thought that Australia's competitive tax regime was an attractive feature. Most worryingly, only 12 per cent of respondents said that Australia's business-friendly environment was an attractive feature of the Australian economy. Turning that around, about 90 per cent of survey respondents believed that a business-friendly environment was not an attractive feature of Australia's economy.

To top it off, we now rank No. 43 out of 60 countries in terms of government decisions—that is, helping to make Australia attractive. So we are No. 43 out of 60 surveyed. I dare say that there is number of individual states, like Syria, which may be behind us, but what on earth! We are at the bottom of the league table. I am not too sure how the Treasurer will manage to blame these results on the terms of trade or a strong Australian dollar. These things that were being surveyed are within his control.

On key indicators of government efficiency, Australia plummeted down the rankings when compared to the last year of the coalition government. On fiscal policy, Australia has slumped from a rank of 18 in 2007 to a rank of 24 in 2013. Yet the government keeps telling us that we are in a better position than everyone else in the world—and we are declining even on the fiscal indicator. Our institutional framework ranking also slumped—from No. 9 in 2007 to No. 29 in 2013. So I do not see how any of this is related to the high Australian dollar or the terms of trade. They are just convenient excuses.

Another comprehensive assessment of global competitiveness is the World Economic Forum Global competitiveness report. It shows that in 2012 Australia ranked No. 20 out of 144 countries, and that ranking has slipped four places over the last two years. Australia achieved a No. 1 ranking, best in the world, in business impact of malaria—although I am not sure that the government can take credit for that! It also achieved a No. 1 ranking in secondary education in enrolment—and I think we should all be proud of that. But that was it. Australia recorded very poor rankings in flexibility of wage determination and hiring and firing practices. We had very poor rankings in taxation and the burden of government regulation.

The top five most problematic factors for doing business were, in order: restrictive labour regulations, inefficient government bureaucracy, tax rates, tax regulations and access to financing. It is no surprise that when they come into this place the government get their facts wrong. Today we heard from the Minister for Employment and Workplace Relations, who said that industrial disputation has fallen under Labor and under their Fair Work system, even though there has been more than a five-fold
increase in working days lost since 2007. The number of disputes has almost doubled since 2007. No wonder Bill Shorten is not doing the numbers; he counts backwards!

This is a challenge Australia faces. We have ministers who cannot count and ministers who have a very dyslexic view of what the real data would suggest—that is, that we are heading in the wrong direction. And clearly we are, but they believe we are heading in the right direction.

Australia must offer consistency and predictability in policymaking. Jennifer Westacott, Chief Executive of the Business Council, summed it up well when she said:

Our costs are too high, productivity is too low, we haven't invested enough in infrastructure and we're drowning in costly, time consuming regulation.

No wonder, with 21,000 new regulations under Labor since they were elected. She further said:

As a result, our competitiveness is declining in a vastly more competitive world. The reality is the great opportunity before us to lock in living standards that the envy of the world may just pass us by. Business is the canary in the coalmine and nobody will thank us in 10 years time for not calling it as we see it.

'Business is the canary in the coalmine'—how true that is. Not one single business leader in Australia believes the government are doing a good job. They will not stand anywhere near them. They are running 100 miles away from Labor at the first available opportunity. I have never seen this before in Australian politics. Even in the dying days of the Keating government, even at their worst in the Whitlam government, even in the Fraser government, even in the Howard government, never have I seen not a single business person in Australia prepared to stand alongside the government of the day, yet this is now so blatantly obvious. And why? Because under Labor we have had 39 new or increased taxes, many of them never flagged, many of them never consulted on and many brought about by new legislation that sought consultation after the legislation had been introduced and even, on some occasions, passed. No wonder business does not want to be associated with this mob.

We have retrospective tax legislation that goes to billions and billions of dollars of revenue and we have an incredibly aggressive Taxation Office that, whilst it does its job—as it should, quite properly, in pursuing people who are acting unlawfully—as part of its motivation and determination, seems to go after people so aggressively that the only way for those people to be able to settle with the tax office is to pay 'go away' money to it.

But, even more so, this is a government that sees regulation as a substitute for the free market. It sees regulation as the alternative where it cannot spend more money. We have seen 21,000 new regulations under Labor. How many were abolished? One thousand. The government set up a minister for deregulation. No wonder Lindsay Tanner resigned in this place! He was the first minister for deregulation. He was the one who threw his arms in the air and said: 'We've tried that and it didn't work; let's go for the hills. Let's go for it, lads.' We have seen 21,000 new regulations. That undermines competitiveness. Of course, like everything else, we saw knee-jerk reactions. As the Australian Chamber of Commerce and Industry noted in its response to the budget just 2½ weeks ago:

Business is once again asked to bear the brunt of fiscal ill-discipline. A $200 million increased tax burden next year will add to business costs and erode Australia's productive capacity. These are measures that collectively make the country less competitive.
Jennifer Westacott was absolutely right: business is the canary in the coalmine. Two-and-a-half weeks ago the Australian Chamber of Commerce and Industry warned: These are measures that collectively make the country less competitive.

What happens? Overnight we had the release of the competitiveness report, which shows that we are falling behind the rest of the world. As the Business Council also stated:

The budget hasn't addressed the lack of confidence in the economy. The government talks about creating jobs but hasn't addressed the fiscal fundamentals to ensure an environment that drives investment and supports competitive businesses. This leaves the country with little or no resilience to ongoing budget pressures and future economic shocks …

If Labor, just for one moment, stopped thinking about the next election and started thinking about good policy that best prepares us for the volatility of the world that is going to occur over the next few years, over the next decades, if they started to inoculate us—insomuch as you can—instead of just worrying about taking care of their sectoral mates, instead of standing up here and deliberately misleading the Australian people about what is actually happening in the economy, then they might be doing a bit better out there. But they are not. Australians do not trust the government. Australians do not trust the Labor Party.

Exhibit A, the mining tax, comes out of left field. There were five different versions, a heap of different revenue projections, but the Labor Party spent the money and more, even legislated tax cuts and benefit increases and then, from budget to budget, changed its mind and pulled the rug out from underneath everyday Australians.

The carbon tax—what a cracker that has been! We had those incredible assumptions in the budget papers, saying that, amazingly, even though the market price for carbon is going down, the revenue to the government is going to keep going up. In the budget they have a market price that has absolutely nothing to do with the market. What a cracker!

But, of course, there is always more with Labor, whether it be the mining tax or the carbon tax—it keeps going. There are 39 new or increased taxes. I suppose the managing director of Chevron Australia said it all. This is a person who is investing billions into Australia. He said that the high-cost environment erodes Australia's international competitiveness and it diminishes investor confidence and that, as a well-documented example, the recent introduction of the carbon tax has posed another additional cost not borne by overseas competitors. As these costs add up they represent an increasing barrier to investment. He said:

Most industry and political observers suspect further tax imposts … This should worry anyone who is interested in Australia securing long-term investment, jobs and economic development.

Well done, Labor. That is Chevron, one of the biggest companies in the world, investing billions of dollars in Australia, and it is yet another of the many canaries in the coalmine saying that if we do not get this right we will fall behind the rest of the world and our living standards will fall. But that is what Labor does. It is not incompetence, it is not dysfunction, it is basically the Labor way. They do not know how to govern.

Dr MIKE KELLY (Eden-Monaro—Minister for Defence Materiel) (15:38): Gee, how disappointing was that. I saw this question today on the Notice Paper and I thought, notwithstanding the second part of it not recognising the actual economic challenges and what will achieve competitiveness in this economy, that the first part seemed to indicate to me that maybe, just maybe, Mr Eleventy Billion, the
shadow Treasurer, may have finally identified that we need to have consistency through this electoral period in terms of the sovereign risk that has been presented by the coalition on the key platforms that business are keeping their eye on. Let us examine the Clean Energy Future package that businesses have made their adjustments on and that we have done all the hard yards of getting in place. There is $19 billion sitting out there waiting to be deployed in investment but, because of the uncertainty that the coalition have created, that money has been held up. Much more could have been achieved under this package if we had had the sort of unity that the member for Wentworth demonstrated in the national interest, but he was undermined and sabotaged in the execution of that. That is the sort of consistency I was looking for.

Instead, what did I see? I saw the sort of consistency that leads us down the rearguard route to shackles on our economy, shackles on our imagination, retrograde steps on the economy—the sort of stuff we saw during the Howard years, in fact. Just to reflect on how we got here, in those 12 Howard years the coalition sought to address issues of fiscal management by selling off the farm. Whatever government asset there was they wanted to sell it, and that is presenting grave concerns for us now as we see the same sort of framework actions being taken to look at things like the selling-off of the Snowy Hydro scheme, which the shadow Treasurer flagged was in their sights.

The mining boom delivered the rivers of gold that also greatly assisted them and they were fortunate in that. But in those times economic management suggests that you need to also manage your surplus situation carefully. It requires investment in things like skills, innovation and infrastructure and education. We did not see that during those Howard years. We saw in those years, the Rip Van Winkle years of sitting back fat, dumb and happy, a low-quality spend. Instead of adding value to the economy, instead of diversifying it, instead of positioning us for inevitable downturns in economic situations, inevitable coming off of commodity prices, what did they do? They set us up for 10 interest rate rises in a row because of that poor fiscal management and low-quality spend. That was the RBA telling the country, telling the coalition, 'You weren't getting it right.' So those Rip Van Winkle years saw a decline in skills, a decline in investment in infrastructure, a decline in innovation.

We were determined to address those issues but we were presented with massive challenges. There was the worst financial crisis in international history since the Great Depression. We had the worst fires and the worst floods in our history. We were presented with the collapse of ABC Learning, with swine flu and equine flu, and we inherited two wars from the coalition, one of which was completely unnecessary and saw the waste of billions of dollars. In my own portfolio of Defence materiel we inherited some other wasteful measures like the $1.4 billion that was wasted on the Seaspray helicopter which never gave us one minute of flying time, or the $40 million that was wasted on the landing craft that did not fit any vessel we had or any vessel we were going to acquire. We addressed all that, put projects on the list of projects of concern and managed the implementation of new procurement processes.

We also managed all of these other massive economic challenges at the same time. For the first time in the nation's history we navigated an international recession without going into recession ourselves. No coalition government or conservative government had ever managed that before in our history. At the same time we preserved
200,000 jobs. During our period in office we have created something like 960,000 jobs in this context of uncertain economic times and challenging situations with the high state of the dollar. We have managed that at the same time as having an inflation rate of only 2.5 per cent, interest rates now at 2.75 per cent and growth of over three per cent. We have seen the situation of unemployment at only 5.5 per cent. No coalition government has ever achieved an alignment of macroeconomic indicators like that. No coalition government has ever achieved the country being at a AAA credit rating of the three major agencies—Standard & Poor's, Moody's and Fitch—never achieved in our history. This government did that, and all of the major economic commentators, all of the major economic organisations, have universally praised this government for its fiscal prudence, its fiscal policy and its achievements in the face of the international circumstances we have faced. All of them have praised our management of the situation.

It is not about simple consistency here, consistency following the same path as the coalition does of wanting to always rely on digging things up and selling them and let someone else value-add them, and then suffering the consequences when there is the inevitable mining downturn. That sort of consistency is not what the country needs. The country needs effective economic management, agile management, responsive management—management that addresses the challenges that are staring us in the face of the competition we face in this region and the world. That competition cannot be faced in the way the coalition want to do it. I mean, it could be: you could look at the sorts of lazy approaches they take to productivity, for example. In the coalition, you always deal with workers as if they were widgets—just some component of the production process. You make them suffer and make them pay the price of delivering productivity by always looking to squeeze more work out of them and cut their wages. That is the coalition's approach: to push down the labour market and engage in a race to the bottom with China and India on wages.

That is not the Labor way. The Labor way is to seek productivity gains in innovation, in sound business management and in a team approach in an enterprise with the workers and management working together to improve work practices and design new processes and new products. That is the Labor way. We want to grow the pie, as the former minister for resources said, not reduce the pie that the low- and middle-income earners would otherwise have to eat. And it is working. Certainly you see stories emerge of job losses, but this economy is in transformation. No-one is reporting, in those major journals of record, the job growth that is occurring in those sectors where we need it. That is why the investment in a clean energy future was so important, and I will come back to that.

Obviously we have seen a theme develop in the coalition's commentary about debt, and obviously they want to ignore, again, the facts of the world, the economic circumstances and the historical situation of management of debt and surplus. They live in a parallel universe where these sorts of facts do not exist. Well, this is a graph of the history of Australian government public debt. Over that time, you will see, we are at one of the lowest points of the apexes in those debt experiences.

The DEPUTY SPEAKER (Hon. BC Scott): Order! The minister will desist from using props.

Dr MIKE KELLY: Some of them, of course, have been much higher. We experienced a debt-to-GDP ratio of close to
130 per cent during the Second World War, and during economic emergencies and recessions you always respond with suitable economic strategies to make sure that you keep growth going, promote growth or try to restore growth. The coalition’s approach would be to introduce savage austerity, which would send this country into recession without question. Instead, the government has created and navigated a course of prudent, responsible fiscal management that gets the balance right. In other words, we do not seek to come back to surplus at a rate that would send this country into a recession. We create a steady course back to surplus but maintain certain levels of stimulus that are necessary to keep the economy ticking over in a growth track that will then restore the sorts of revenue that the budget has been missing these last few years. That lack of revenue has, in fact, been the sole source of the debt, because with every initiative the government has introduced we have introduced offsetting savings to fund it. So the entire story of the debt, in fact, relates to that revenue situation.

I would also like to address the fact that the coalition has no plan for the future—no plan whatsoever to meet those massive challenges out there in a dynamic region that we cannot afford to fall behind. Where are the key investments that need to occur there? Let us start with the NBN. A Korean company has invested in a $200 million project in my region, a timber precinct in Bombala. This South Korean company is coming into our region and creating jobs and exciting new opportunities. The first thing it said to us was, 'We won't do that unless you confirm you're going ahead with the NBN.' Why? Because South Korean companies are already out there, linked with high-speed broadband and fibre throughout their economy. The company said it would not set the precinct up without the NBN, because it operates its business in terms of the state-of-the-art machinery that is needed in industry these days to avoid the impacts of labour and dollar costs. That plant operates on remote diagnostics and engineering solutions connected to the company’s global operations. That is the sort of opportunity that exists for rural and regional Australia out of the NBN rollout, notwithstanding all of the other massive benefits in education and health as well. There is a company in Cooma—a bold new venture by a young woman named Jane Cay, who has set up a company called Birdsnest, which is now one of Australia's largest online companies. It has 90 employees in the town of Cooma, a great boost for a regional town. Those sorts of opportunities can be amplified, magnified and spread around this country by a proper investment in the NBN.

What do the coalition want to do? They want to buy the old copper network from Telstra, including, as we heard today, some of those pits and pipes that contain asbestos. So they have gone down the privatisation road but they want to go back to the situation where you get all of the downside and none of the upside. How crazy is that—a copper system that is breaking down, that would cost them $1 billion a year to try and keep on life support and that Telstra said in 2003 could not last another 15 years. They want to try and keep it going and shackle us to a capacity that will deny our people with imagination—our entrepreneurs—the opportunity to innovate and take this country ahead.

In addition to that, the ADSL system, as we know now, absorbs something like two per cent of the nation's power. The VDSL system they are proposing would require something like four per cent of the nation's power to pump that power through the copper system and create the 60,000 cabinets that there would have to be on street corners.
Instead of achieving the energy efficiencies that we are all driving towards, that would send us backwards massively. I have seen estimates that you might have to build something like three to five more power stations to power this VDSL system. What an insane approach, when we know that fibre to the node achieves massive energy savings.

The Clean Energy Future initiative also is delivering fantastic results. Of course, there are the lower emissions, as we have seen—8.3 per cent in the electricity sector. We are seeing the 30 per cent rise in renewable energy. Coal-fired power is now dropping down from 80 to 75 per cent, which in itself is a great outcome just for the health burden on our economy. I have seen it estimated that fossil fuels generate about $6 billion worth of health costs to this economy. So, through the renewable energy package, we are seeing the transformation to the new economy—an investment in energy security for the future and ultimately cheaper power, because renewable energy will ultimately deliver that.

It is certainly creating a base for start-up companies all over Australia as well. In my own region, there is a wonderful company with a great idea—a local invention by Joe Ruiz-Avila, who created a system that he took to Pambula Engineering. Based on the incentive schemes and support provided by the Clean Energy Future package, they are now exporting their product all over the world, expanding rapidly. They are now going to set up their international research and development hub in Pambula.

These are great results that are occurring in my own region from that package. The most important element to that is the Clean Energy Finance Corporation. How the opposition cannot see the importance of this as a venture capital base is beyond me. It is a party that is supposed to be supportive of new industry, new business, small business, but all they want to do is choke off the availability of venture capital, which we have had a marked absence of in this country.

We have also, of course, introduced Venture Australia and our innovation precincts. Within my own portfolio of Defence, there is a new $120 million package for our Priority Industry Capability Development Fund and our Defence Innovation Realisation Fund. Our investment in the defence industry will generate great investments in industry and manufacturing and great leveraging opportunities across the board for us.

These are great opportunities—great potential that is being realised under our very noses that this coalition would take away from us. They would take away the investment in skills—over $8 billion that has now seen national records of apprenticeships and trainees at half a million and extensions of funding to vocational training through the expansion of the HECS concept. These are great initiatives that arm our kids with the skills they will need for the future.

We have seen the coalition ignore those things but impose their great big new tax in their plan for the future with this paid parental leave monstrosity, which half of their party room rejects. They pose a real risk of consistency down the wrong track—a lack of vision, imagination and courage. We stand for a bright future for Australia that leads and stands in the winner's circle. The contrast could not be clearer; the choice could not be simpler.

Mrs D'ATH (Petrie—Parliamentary Secretary for Climate Change, Industry and Innovation) (15:53): I seek leave of the House to adjourn the MPI discussion briefly to allow the referral of a bill to the Federation Chamber.
Leave granted.

**BILLS**

**Asbestos Safety and Eradication Agency Bill 2013**

**Reference to Federation Chamber**

Mrs D’ATH (Petrie—Parliamentary Secretary for Climate Change, Industry and Innovation) (15:54): I move:

That the bill be referred to the Federation Chamber for further consideration.

Question agreed to.

**MATTERS OF PUBLIC IMPORTANCE**

**Economic Competitiveness**

Mr LAMING (Bowman) (15:54): Our terms of trade have peaked, our commodity boom as far as new starts go has probably flattened and now we have the great challenge in this country to have a responsive economy that can direct resources to the areas where it is most productive. We are here today for the IMD competitiveness survey, which shows, despite all the rhetoric we heard from the previous speaker, who gave us absolutely no figures and no data whatsoever—from that dataless evidence—a free zone of political talking points that you could have easily substituted the political party and then read out the rest. When you take all of that away you are left with a party that is unable to provide any data at all to explain why we have fallen through the floor in competitiveness.

We operate as developed economies effectively in a peloton. At the head of the pack we can do very little about the winds that strike the entire group, such as a GFC, but we can as governments and as industry within an economy work to keep ourselves at the front of that pack. That is what every government should strive to do. It should be its No. 1 objective—to unshackle its citizenry so they can have spare money in their pockets to do the things they want to do and not be constantly molested by a government that cannot keep their hands out of the pockets of everyday citizens. So what do we have? We have a government that over the last five years has done just that. This IMD competitiveness data shows us that and spells it out word by word, criteria by criteria—and nothing from the other side has rebutted that.

We now understand the metastory around the GFC. It is simple: we started with a large Howard surplus and we were able to buy our way through the worst of it. We had strongly regulated banks, with four of the top 22 in the world, and they were not attracted to the highly sophisticated financial products that the rest of the world got their fingers caught in. Finally, we had a mining boom that just kept pumping out the resources that most of the world needed, and they kept buying, thank you, forward contracts. That got us through. No matter how much that side of politics keeps telling you it was something to do with the pink batts and the school halls, it had nothing to do with it whatsoever.

But now we have a government that has the hide to come into this place and say, 'You know what, we got you through the worst of the GFC due to our doing,' and in the same breath cannot explain why we have suddenly fallen through the floor in competitiveness and we now rank just above Syria. There is a reason for that. We will give you these reasons, because they are numbers that cannot be refuted—and these numbers have been accumulating for some time.

We operate in a competitive region of the world. We are surrounded by economies like South Korea—which was mentioned by the previous speaker—China, Japan and even Hong Kong. Where are the free-trade agreements with those massive economies?
No, no, no, we're doing a big go-slow on FTAs, that's right. We even repudiated the notion of having one with Hong Kong. They have managed to sign up to a few, many of which started under the Howard government, but the move towards free trade agreements has been extremely limited. Add to that spitting in the eye of our nearest major neighbour, Indonesia, around beef exports. How can we have a mature relationship with this great northern neighbour when we treat them as we have under this government?

The recipe is fairly simple, isn't it? We remain competitive by driving manufacture; we remain competitive by keeping our economy as diversified as possible; we remain competitive by supporting our SMEs, by having fiscal discipline and, of course, social cohesion. But most of all you need to export stuff. It is that simple. You have to educate your people. But what have we seen? Money ripped from universities—not millions or hundreds of millions but billions ripped from universities. So we will not be lectured by the other side of this chamber about a smart economy.

These basic lessons about deploying money to productive infrastructure is exactly what they ignored over here. This is the government that did not spend one cent on health infrastructure with their stimulus package. For Infrastructure Australia's $20 billion we can barely see what they have built. Go to Queensland. We have a promise for light rail on the Gold Coast and that is about it. Where has the rest of it gone? The money has evaporated. It is a government that cannot even put the NBN on their balance sheet. It is an off-budget item, because allegedly they are going to make money out of it some time after 2025.

This is a government that does not understand how important regulatory reform is, improving our tax systems, and they obviously do not understand how to keep our labour force as productive as possible. It is the people. It is not enough to put your hand over your heart and say how important workers are and collect their union dues. You have to do more than that to keep this economy productive.

I promised you numbers; I will give them to you. There was a day once when Australia was more competitive per hour than Italy, more competitive than the UK, more competitive than Canada, but now we have slipped into the region of Norway. That is right, just Norway and Germany are more expensive when it comes to attractive manufacturing destinations. We now sit level with Scandinavia, having passed Italy, Japan, the US and the UK, not just in the last five years but over a decade of slowly, slowly slipping away. But my point here today is that it accelerated—strangely—in 2008. What was happening in Australia in 2008? I have a little inkling here. It could have something to do with a change of government. Let's go down to the evidence. Let's look at just how expensive it is per hour to employ a worker doing exactly the same work.

In Australia we are blowing out, approaching $50 an hour. We were $35 an hour and we were level with the US—no longer. We are 30 per cent more expensive than the US per hour to do exactly the same work. We were once level with Canada—no longer. This is the inconvenient truth; this is your 'Al Gore graph'. You guys need to take these away, jump in a forklift and go up to where it is now to employ an Australian worker. Then let's use an index, so that we call the US base 100, and have a look at it blowing away again. It gets uglier and uglier and uglier. It is now 270 per cent more expensive than the US to do the same amount of work, if we index it back to the year 2000. But my point was that Australia
was a cheaper place to do business than the US until 2008 and the change of government. We were a cheaper nation to do business than Canada right through the Hawke and Keating years. They got it right. Let's make no mistake, this is not a party political divide.

This administration has lost control of the economy and lost control of costs. It is one thing to fight for a pay rise. What they do not understand is that you have to improve productivity with it. That is the great economic disengagement. That is what we have not seen over the last five years. When the Labor Party came into power we were indexing, in 2008, at about 104 under Kevin Rudd compared to the US. It went to 117 under Julia Gillard and today we are approaching 150 as an index compared to the US, if you take the US at 100. Then, lastly, there is the multifactor growth average, and that shows Australia actually moving away from Japan—not only more expensive than Japan to manufacture but getting more expensive quicker.

These numbers are ugly: in the business community, 8.2 per cent of people over their Wheaties can bring themselves to say that Australia is an attractive place to do business; only five per cent say that our tax system is working for us; and, as the shadow Treasurer said, 12 per cent regard this as a business-friendly nation. It should be 50 per cent. At least half of the business community should be supporting the work of the government of the day. It is languishing at 8.2 per cent, and if you look at the margin for errors I am sure within that error bar is zero. Basically, you will find no-one, when you walk the streets of this nation, who will say any more that this government is creating an environment that is supportive for business. You do not have to look at rhetoric from organisations which this government does not respect. Let's go the submission summary in the Asian white paper. Even there, the government could not sanitise the horrible fact that some of the most powerful and influential observers of our economy were ringing the bells, flying red flags. I go right to the last page where it says, 'Australia has now fundamentally become a high-cost place to do business.' The submissions were arguing that we are now uncompetitive when benchmarked to other industrial nations, such as New Zealand—that is right, we have actually fallen behind New Zealand as a competitive economy to do business.

Yes, it is a sea of red. And, yes, we have fallen to probably the most uncompetitive place this nation has been in 17 years. Our institutional framework has gone from nine down to 29; our fiscal policy, from 18 down to 24. And do you know what? It is just getting worse. The message to those listening to this debate this afternoon is that there is no evidence this government has the capability to turn this all around. Our relationship with our near neighbours is imperilled. Our communication and our ability to get our economy under control show no glimmer of hope, from what we have seen from this government. What we have right now is a spiralling-out of costs when it comes to wages. And as a place to do business, the rest of the world is simply looking elsewhere. This is one of the great tragedies of the last five years and is something that has to change.

Mr HUSIC (Chifley) (16:04): The member for Bowman went through a number of facts, but the problem is that listeners were not able to see that the member for Bowman employs a fact kaleidoscope. He picks up his notes, he rolls them into a column and then he just twists that paper until it spits out the type of rhetoric that he put forward then. On a whole range of levels he puts statements forward that look great through the fact kaleidoscope but they do not
have any bearing to reality whatsoever. There was reference to productivity. We often have this mantra from the other side that says productivity is declining. Yet in March this year Ross Gittins, who is respected as an economic commentator, looked at the national accounts released in December and said:

In case you're wondering, the national accounts showed that, on the simplest measure—gross domestic product per hour worked—the productivity of labour improved by a roaring 3.5 per cent over the year to December.

But I think the best way to see what's been happening is this: using the trend (smoothed seasonally adjusted) figures for labour productivity in the market sector, it's been improving at the rate of 0.5 per cent or better for seven quarters in a row.

For seven quarters in a row, productivity was going up, despite what they are saying.

We also heard a statement about costs. I do recall John Howard in this chamber as Prime Minister going on about how wages growth kept going up and up, and that they likened themselves to 'the best friend the worker ever had'. The reason wages were going up was that for years the RBA had warned that side of the chamber that capacity constraints, chiefly in skills shortages and infrastructure blockages, were going to cripple the economy, but they did nothing about it. They duplicated the TAFE system, because they refused to fund vocational education through federal-state agreements. They had all the skills shortages starting to cripple the economy, and wages were going up as a reflection of the reality that there were not enough people around to do the work and costs had to go up to attract labour. That was what they were going on about in terms of costs. These people opposite, when we contrast it in terms of their record, cannot be believed in relation to the types of things that are put forward here.

They talked about the competitiveness report that has been released but I actually think it is worth noting that the other report that has come out through the OECD, the Economic Outlook that has just been released, says we will outperform every single major and advanced economy over the next two years. Take growth this year alone. Our growth will be double the average of the OECD. It says of Australia that we will have growth of 2.6 per cent in 2013, 3.2 per cent in 2014. In the OECD it will be 1.2 per cent—so 2.6 per cent this year for Australia, 1.2 this year for the OECD, 2.3 next year for the OECD, 3.2 next year for Australia. So inflation contained in Australia, employment at 5.6 per cent this year in Australia, and 5.5 next year, and in the OECD 8.1 per cent this year and eight per cent next year. That is eight per cent next year compared to our 5.5 per cent next year. You cannot be competitive if growth in your economy has stalled, if inflation is driving costs up, if unemployment is high. And you only need to look at this, for example, as I have reflected on a number of times: imagine the political discourse in this country if we had Spain's unemployment rate of over 20 per cent—so over 20 per cent in Spain compared to 5.6 per cent here in Australia. If people do not have work, if people have costs going through the roof and if growth is nonexistent, you cannot be competitive—and that competitiveness has been brought in as a result of the stewardship of this government given the fact that we have been able to ensure that economic conditions here—as has been reflected—will outperform those of every single major advanced economy over the next two years.

Now in terms of the report that has been released, and it is actually worth while noting that it was done in conjunction with the Committee for Economic Development of Australia, Stephen Martin says, 'There
seems to be a general lack of awareness of how good Australia's economy is performing in a global context. I go back to those statistics that I have related to the House a few moments ago. It is very important that in a global context we are seen as performing as strongly as we are. He continues on to say, in terms of two key indicators, unemployment and economic growth, that Australia's growth is strong and stable compared to other countries, despite others making significant gains as they continue to recover from the GFC and the eurozone crisis and it also highlights our highly skilled workforce— as does the report— and effective legal system. It is clear the fundamentals of our economy are strong and we have a world-class financial system, low government debt, low interest rates— again, low interest rates of themselves are very important too particularly for the non-mining sector as it is trying to deal with one of the biggest handbrakes on competitiveness for Australia, that being the phenomenally high Australian dollar where our economy is seen overseas as a safe haven when it comes to discussions about currency. So it is important to note that.

I come back to the point I made earlier about capacity constraints particularly in relation to skills and infrastructure. On skills, I refer to the investment we have made in my own area. I am proud of the fact that $140 million has been invested in 67 schools across the electorate of Chifley and we have had trade training centres opening up as well, providing for greater vocational training and improvement of skills in our area. On infrastructure, particularly urban infrastructure, we are proud of the fact that under this government investment in urban infrastructure is the highest it has ever been. Those opposite, when it came to urban planning and when it came to making our cities more effective— particularly for business and in terms of removing congestion and lifting people out of the daily grind particularly as it comes to road and rail investment— vacated the field and we have gone back in to try and work with state governments to fix these things up. On the NBN, for instance, those opposite, who have had this longstanding commitment to tear the NBN apart, now want to charge up to $5,000 for small businesses to connect to the NBN, which, by every account and by any measure that you look at, has lifted productivity in this nation and has contributed significantly to economic growth. Those opposite do not see how it opens up, in terms of export markets, the ability for small business to take advantage of what is there on the world stage. Those opposite, in particular the shadow Treasurer— and I reflect on his contribution— talk about costs. Yet here they are proposing to introduce a scheme that adds to corporate tax 1½ per cent with 3,300 companies levied as a result of that— $5 billion. How is it that putting a levy on those 3,300 businesses in this country makes them more competitive on the world stage? Absolute silence!

Mr Lyons: And they love tax.

Mr Husic: As the member for Bass says, they love tax— and they certainly love putting this levy on. How does that improve competitiveness in this nation? The shadow Treasurer made a remark about free markets and advocating free markets, which I thought was a refreshing change and I welcome his new-found love of free markets. When we introduced a method of moving to a market based price on carbon, those opposite actually wanted to stop that. They want to subsidise polluters— pay $5 billion out of government coffers to polluters— and yet there is this additional cost to the government and also the fact that it will do little, if anything, in terms of cutting emissions and will make it even harder for
them to make the bipartisan target we both agreed within this place that we will cut emissions by five per cent by 2020—but no reference to it.

I come to the other thing that they talk about. When they talk about costs, bear in mind the biggest cost in a business is labour. The thing that those opposite had a problem with when skill shortages were driving up labour costs was that the only way they could fix it was to bring in a draconian set of industrial laws that undermined the ability of labour to negotiate enterprise agreements on wages and conditions. Work Choices was their way of dealing with their own inability to rein in labour cost increases because of skill shortages. Those opposite also talk about regulation. The biggest thing that they did, in terms of cutting regulation, was to bring in a GST that made two million small businesses tax collection points across the country. You never hear that from them either. So if you are going to talk about competitiveness, look at their record, look at the way that they performed in government and recognise—(Time expired)

Mr TEHAN (Wannon) (16:14): Given it is Thursday afternoon, and it has been a long week in this place, I thought I would start with a little joke just to liven things up a little bit. Yes, I know that I could just say that the joke is the other side, but this joke is a little more informative than that, and it also tells a little tale about the subject that we are discussing today. It is a joke that a Scottish friend of mine loves to tell about when he was a kid. His mother would give him a pound and he would go down to the local milk bar and he would be able to get some milk, some bread, some boiled lollies, the newspaper, some bacon, some eggs and a couple of other things that took his fancy. He says that he felt sorry for the kids of today, because when they are given a pound to go down to the milk bar the only things they could get now are some bread and some milk, because CCTV cameras have been introduced.

I have got some laughter from this side of the House—not much I must say!—and I am very pleased to see that the member for Dunkley has raised a smile. I think there was a chuckle from the gallery, but not much more than a chuckle.

The DEPUTY SPEAKER (Hon. BC Scott): The member for Wannon will address the MPI before the chamber.

Mr TEHAN: I am getting to that, Mr Deputy Speaker. The thing about the discussion today is that the CCTV cameras have caught up with the government. We saw that with the budget. Here we had the Treasurer promising, over 300 times, that there would be a budget surplus. The Prime Minister, I think, had done it on numerous occasions as well—maybe over 100—yet what we saw in the budget was the CCTV cameras catching up with this government.

We saw, once again, we were going to get a budget deficit that was going to add to the five largest budget deficits in Australia's history. We saw that net debt was spiralling past $150 billion. Gross debt was $300 billion. The CCTV cameras caught up with the government when it came to the budget, and we have seen it again today. The World Competitiveness Yearbook has come out, and we have seen what it has had to say. The competitiveness result for Australia is the worst in the last 17 years. What has produced this?—21,000 new regulations and 39 new or increased taxes.

What have people had to say about this? If you read Paul Kelly today—the honourable member sitting next to me, the member for Berowra, has pointed this out to me—you will see that even Labor's own economists are coming out to criticise this government. Ross Garnaut warns that tolerating a
business-as-usual policy now means the decline in average living standards will be large and the lift in unemployment will be persistent and large. That is what Labor’s own economist has to say on this.

Mr Billson: Even Stephen Koukoulas could not ignore that.

Mr TEHAN: No, I do not think even The Kook could ignore that. Let’s have a look at what ACCI has had to say:
Business is once again asked to bear the brunt of fiscal ill-discipline. A $200 million increased tax burden next year will add to business costs and erode Australia’s productive capacity. These are measures that collectively make the country less competitive.

Yet are those on the other side of the House taking any notice? No, they are not. Let’s look at the examples. Let’s look at the mining tax. The government, and the Treasurer in particular, had five goes at the mining tax. And what was the result?—a complete disaster. And how did the Treasurer explain this? I think it is worth reminding the House. Remember that he had five goes at trying to get this tax right. He said:
We brought a super profits tax in at precisely the time the super profits disappeared.

Mr Ruddock: You would have to be smart to do that!

Mr TEHAN: You would have to be very smart to do that! Not only did he do that, he then made sure that the government spent money based on the fact that he thought the tax was going to raise revenue.

Today in question time I think we heard the quote to end all quotes, from the Treasurer. He accused us, on this side—and our policies—of stealing from the future. The Treasurer who inherited a budget in surplus with no net debt, who has now delivered us a budget which has a structural deficit which will reach over $16 billion in the coming years and who has presided over net debt reaching over $150 billion and gross debt of over $300 billion, had the audacity to accuse us on this side of stealing from the future.

That is the quote to end all quotes from this Treasurer. His incompetency knows no bounds; we now have the final proof of that. This government has done nothing for the future of this country, and we on our side—if the Australian people have faith and confidence in us and vote us into power on 14 September—are going to have an enormous job to repair the finances of this country.

I was pleased to hear the shadow Treasurer today talk on this MPI, because he will be the one who will have to turn the finances of this nation around, and he will need the support not only of all of us in this place but of the Australian people. The mess that this government has produced is considerable. The realisation of that fact is coming not only from businesspeople but also from economists from the Labor side of government.

I say to the shadow Treasurer: we will all be behind you if the Australian people place their faith in us. We know that the carbon tax has to go. We know that the mining tax has to go. We know that both regulation green tape and red tape need to be stripped out of the Australian business community. We know that we have to get the Australian economy growing. We know that we have to get employment in this country growing. We know that you will not be able to deliver a budget like the Treasurer did this year which says, ‘It is a budget for employment growth,’ yet when you look at the figures unemployment will go up. We know that you will not be able to say that you have produced a budget for growth when you look at the details of the budget and find that economic growth will actually decline.
We know that you are going to have to be honest with the Australian people. We know that you are going to have to restore the finances of this country to where they were prior to 2007. We have full confidence that you will be able to do that. You can have full confidence that all those on this side will support you in what you need to do. The only way we are going to turn the finances of this country around is to get Australia growing again, to get our cost base down, to get our businesses employing people, to get consumer confidence back and to get business confidence back. That is how we are going to grow this country and that is how we are going to make sure that we remain internationally competitive in a globalised world. We understand the importance of a globalised world and the fact that you have to keep your costs down if you are going to compete. Businesses now not only need to export; they have to be able to compete with imports. They are the facts of a globalised world. That is why we have to become competitive again. The Gillard government has failed us on that account, but I have full confidence that a coalition government if elected will not fail the Australian people on this.

Ms OWENS (Parramatta) (16:24): It is another extraordinary day in the parliament of Australia when the Australian community has been assessed as No. 1 in terms of the wellbeing index and is in the top 20 of the global competitiveness index, as it has been for many years, and it is also a day so dire that we have to have a matter of public importance to address the appalling situation of being in the top 20 countries in terms of global competitiveness and No. 1 in terms of the happiness and wellbeing index. But that does not mean that we should ever relax about improving the circumstances that Australia finds itself in. In fact, we should not; nor should we pretend that labour market reform alone is the answer.

Yesterday, a friend of mine came to visit. He was wearing a brand-new pair of jeans that he had bought at Target for $8. Someone grew the cotton, picked it, shipped it, wove it, took it to a factory, made the jeans, exported them, brought them to Australia and sold them in Target, and all the people along the way, all the middlemen, made their profit, including Target, and the jeans cost $8. It is absurd to think we could compete with that.

We could completely throw out any labour market regulation. We could halve our wages. We could wipe out all of the overtime and all the penalty rates. We could reintroduce 12-hour days six days a week and we still could not compete on the basis of labour price with those countries that can produce a pair of jeans from scratch and sell them into Australia with Australian wages at this end for transport, packaging and accounting. We simply cannot compete on that. We can only compete in this country on the power of our minds.

We have more power in our minds, more assets in our brains, in this country than we have under the ground, by the way, far more. For the people on the other side of this parliament to walk into this chamber and talk about global competitiveness is the height of hypocrisy. They were in government for 12 years and did not make any serious moves to improve the level of the capacity of our minds. They did not make any serious moves to improve the quality of education from primary school right through to tertiary education—in fact, under them it went backwards.

I want to firstly talk about university education. In the whole of Western Sydney, the proportion of people from low-socioeconomic status who went to university
went backwards during the time of last coalition government. In the biggest boom we have ever had, the biggest boom the world has seen when there were rivers of gold flowing from the growth in China and from around the world, they did not make one move to improve the capacity of the poorer people in this country to get a tertiary education. When they lost government in 2007, three per cent of people in Western Sydney went to university and 5.2 per cent Sydney-wide went to university. In Western Sydney, we were just over half the rate of enrolment and that number got worse over the 12 years of the Howard government.

It took this government to come along in the middle of a global financial crisis and decide that education was actually the future of this country and that if you want to be globally competitive you need to do something about it. So don't you dare come in here and talk about competitiveness after you spent 12 years wasting people in this community by not providing them with an opportunity. You did nothing in your 12 years to improve the competitiveness of this country in terms of education—nothing. We have started to turn it around.

The funding for the University of Western Sydney has grown by nearly 68 per cent in the five years that we have been in government and it will continue to grow. Real funding per student across all universities has grown by 10 per cent since we came to government in 2007. Under this system, the number of supported students at the University of Western Sydney has increased from 25,800 to 32,000 in the first four years of this Labor government and the number of people from low-socioeconomic status areas has grown by 31 per cent over those four years. What we saw from the opposition during the biggest boom we have ever had in terms of Australia's global competitiveness was nothing. They pushed us backwards on tertiary education. We saw the same with primary and secondary education.

A person could have enrolled in school in the first year of school, and graduated, in the 12 years that the Howard government was in power. Twelve years of schooling under the Howard government and what did we see? When Bob Hawke became Prime Minister in 1983 the high school retention rate was 80 per cent. When Labor lost government it was 30 per cent. One in five people was not finishing high school when the Howard government came to power in 1996. What was the figure 12 years later? Eighty per cent. In 12 years a child could have started school and finished school and still no difference.

Debate interrupted.

**ADJOURNMENT**

The SPEAKER: Order! It being 4.30 pm, I propose the question:

That the House do now adjourn.

**Diabetes**

Mrs MOYLAN (Pearce) (16:30): Well before this century reaches its half term, diabetes will have seriously challenged our nation's health services and budgets. The consequences of government inaction will be catastrophic, as diabetes is a blight on our social fabric and on income production. Not since 1997 has there been a definitive government statement making diabetes a national health priority. Yet, within the last two decades the prevalence of diabetes has more than doubled, making it the fastest growing chronic disease in Australia.

Two hundred and seventy-five people are diagnosed with diabetes every single day. Forecasts are that this figure will climb sharply so that 3.3 million Australians will be diagnosed with diabetes by 2031. Uncurbed, it is likely that one-in-three 'Gen
Ys' will join the ranks of the now 'Gen Ds'. This is tragic, given that type 2 diabetes is largely preventable and with early diagnosis and proper treatment its malevolent progress can certainly be slowed.

Diabetic complications are multiple and lead to a reduction in mortality. Every 30 seconds, somewhere in the world, someone has a limb amputated due to diabetes. Diabetes robs people of their potential ability to earn and care for their families. Access Economics estimated that the workforce participation rate of people with type 2 diabetes is 53.8 per cent, well below that of other people of working age. The total productivity loss is estimated to cost this country $4.079 billion.

That Australia has no coherent national diabetes plan in 2013 is truly astounding, as in 2006 Australia strongly supported the United Nations resolution 61/225 to recognise diabetes with its own international day. In addition, Australia was a signatory to the United Nations 2011 declaration on the prevention and control of non-communicable diseases.

The European Diabetes Leadership Forum held by the OECD in Copenhagen in 2012 built on these commitments with the development of a 'Copenhagen roadmap'. This provides a ready-made template for a comprehensive national diabetes plan. The roadmap can be localised to meet Australia's needs by working with some of our brilliant local health experts. The aim of the Copenhagen roadmap is to outline a plan for the prevention, early detection and intervention and management of diabetes. The benefit of the Copenhagen roadmap is that the outcomes are to be regularly measured to show the quantum of improved health and reduced healthcare costs.

In December, Australia is hosting the World Diabetes Congress in Melbourne and there is no better opportunity for the government to make diabetes a national health priority and to recommit to a comprehensive national action plan. We can and we must have a more vigorous public health campaign to manage diabetes in the community. In speaking to the estimates published by Professor Stephen Colagiuri that diabetes will cost Australia $23 billion within 20 years, leading expert in diabetes Professor Paul Zimmet has warned that diabetes will become the fastest growing non-infectious disease epidemic in human history.

With a comprehensive national action plan Australia will ensure that our future generations do not shoulder a cost that this country simply cannot afford. To quote my friend the member for Moore in his last speech here on this subject: It is imperative we take action now on diabetes. Just consider that in 15 minutes allotted to me to make this speech two more Australians have been diagnosed with diabetes and there are another two who have the disease but remain undiagnosed.

Northern Tasmania

Mr LYONS (Bass) (16:35): I bring to the attention of the House the wonderful developments and challenges in northern Tasmania as a result of direct investment in this region by the Rudd and Gillard Labor governments.

First, I mention education spending and the investment into almost every primary school and high school in Bass of over $70 million since November 2010 in spending on the Building the Education Revolution. Schools which had not had as much as a lick of paint for years were transformed into first-class facilities with the construction of libraries, computer and science labs, classrooms, gymnasiuums and performing arts centres.
Labor is also determined to ensure our economy stays strong by investing in a skilled workforce that businesses in northern Tasmania need to stay competitive and to create local jobs. For example, this government has invested in vocational education with four trade training centres in my electorate. This includes investment of $3.5 million for the two George Town training centres, $3.4 million for the Dorset trade training centre, and $986,000 for the Saint Patrick's College trade training centre in Launceston. Students at the Tasmanian Polytechnic in Launceston enjoy a fantastic tourism and hospitality training facility thanks to an investment of $5.8 million from the Teaching and Learning Capital Fund. The Teaching and Learning Capital Fund also invested in the Green Skills Centre of Excellence at the skills institute's Alanvale campus. This facility provides training for a combination of construction, furniture making and allied trades and is the base for training apprentices and upgrading the knowledge and skills of experienced tradespeople.

Labor is committed not only to creating a skilled workforce but also to creating jobs in northern Tasmania. I recently announced that $50,000 from the government's flexible funding pool would be provided for an employment allies project in Launceston to assist newly-arrived migrants and humanitarian entrants to overcome barriers to employment and to enter the local workforce. This month I attended the Australian government's job and skills expo in Launceston, where over 300 jobs and training opportunities were on offer to local job seekers by a variety of businesses and training organizations.

I am also extremely proud of the fact that Labor has invested more money than ever before into Tasmanian health. The Gillard government's Primary Care Infrastructure Grants, for example, have significantly expanded the services that local doctors offer to the northern Tasmanian community. Patients have been provided with greater access to new health professionals such as more GPs, diabetes educators, mental health workers and physiotherapists through this investment of over $2 million in several of the GP practices in Bass. The Labor government has invested $4.7 million to refurbish the John L. Grove Centre in Launceston, making it northern Tasmania's only public rehabilitation facility.

Furthermore, an investment of $325 million into Tasmania's health system directly benefited northern Tasmania with initiatives such as increased elective surgery, better palliative care, a walk-in centre for minor illnesses and injuries in Launceston, and the sharing of an innovative new health sciences precinct. Just this week I announced the federal government investment of $4 million for the redevelopment of the Northern Dental Centre to deliver improved dental services for patients and dental training in northern Tasmania. I was also pleased to be able to announce last year that the Labor government had invested $6.8 million in the St Giles Society's northern paediatric allied health and disability service for redevelopment and the implementation of their e-health infrastructure.

The federal Labor government has also offered unprecedented support for farmers in Tasmania to encourage a $400 million investment in irrigation schemes and the Sense-T project, which provide jobs for Tasmanians, give farmers the confidence to invest and will have significant economic benefits for our rural communities.

Labor is also investing in Australia's future and ensuring that communities are not left behind with the rollout of the National Broadband Network. This is in stark contrast
to the Liberal's 'fraudbrand' plan, which will see a significantly slower 'copper-to-home' internet connection, costing families and small businesses up to $5,000 to connect.

The rollout of the NBN in Tasmania is on track and will be delivered in all of the north-east of the state by 2014 and to 2,600 homes in Launceston. I could go on about the Scottsdale DSTO's $18 million, and many other investments. Labor's record of investment is an impressive one and it is designed to meet the future economic challenges of northern Tasmania.

**Defamation**

Mr SCHULTZ (Hume) (16:40): I rise to record my utter disgust at the attempted character assassination of a very dedicated, committed and concerned rural resident, a lady of outstanding credentials. This is a lady who established a rape and sexual assault centre in outback Australia, was the general medical practitioner liaison for regional mental health, operated an Aboriginal healthcare centre, was an examiner for the Royal Australian College of General Medical Practice, was a committee member of the South Australian branch of the Australian Medical Association and is a cancer survivor; whilst her husband is a public health dentist operating in remote Aboriginal communities. However, this lady is not without error as she has in the past openly voted for the Greens, an error she confesses will not be repeated.

You may wonder how this lady is being repaid for her outstanding community efforts and social contribution. Currently, a significant orchestrated attempt to assassinate her outstanding reputation and undeniable credibility is underway, assisted and promoted through left-aligned media outlets. This is a campaign strongly suspected of being led by the non-medically accredited Professor Simon Chapman of the University of Sydney, a person who obtained his PhD from the Department of Preventive and Social Medicine, a self-proclaimed expert in marketing and public manipulation via media sources. He is a person who is not lawfully permitted to conduct any form of medical research or study in relation to human health.

I am of the firm belief that Professor Chapman is close to the author of this anonymous letter of baseless and faceless complaint made for no other reason than a seedy attempt to salvage his fast-dwindling reputation as a credible, reliable and balanced source of information. Professor Chapman, with his nose in the public trough—through the apparent never-ending funding of the NHMRC—for bewildering reasons unbeknown, other than regular speaking engagements at industry conferences and committees, has connected himself to the insidious industrial wind turbine industry.

Through his joint authorship, misleading to the extent of being potentially fraudulent, publications such as the highly criticised 2010 Rapid Review of selective literature, provided the wind turbine industry with support whilst placing many rural communities in peril. As the evidence mounts in relation to the potential corrupt behaviour of this industry and those associated with it, both politically and professionally, it is of no surprise to me that those deepest entrenched in this fraud against the Commonwealth, the Australian energy consumer and rural residents of Australia will stop at nothing to protect their personal and professional interests—in this case, the deliberate self-motivated instigation of serious allegations against a lady of high regard.

It is not the allegations that are of concern, as they will be defended and proven
baseless. It is the matter of the anonymous letter of complaint being provided to several media outlets prior to the alleged offender being notified of the details of the anonymous complaint. Coincidently, these media outlets appear to be all associated in many ways with both Professor Simon Chapman and the initial recipient of the complaint, the Public Health Association of Australia CEO, Mr Michael Moore.

This outrageous document was clearly provided for no other reason than a further seedy attempt to assassinate the good standing and character of Dr Sarah Laurie. These allegations will be proven baseless and defamatory; the so-called 'anonymous' author of the complaint knows this, as does Mr Michael Moore, otherwise why is the complaint anonymous? As they will be proven baseless, the author would be exposed for what he truly is, and face potential criminal defamation charges. Does anyone truly believe that a genuinely anonymous letter of complaint would be referred from a trusted association and then, astonishingly, receive attention from relevant bodies if the anonymous person were not well known to them?

Professor Chapman, you are devoid of any decency and courage. If you truly believe an offence has been committed, put your name to it and stand accountable for the baseless claims within. Michael Moore, by your grubby unprofessional actions you have destroyed all credibility of the association you control. If you genuinely believe the allegations to be true and had no involvement in the production of the defamatory document you should publically disclose the identity of the so-called anonymous author or resign for your own despicable actions. Dr Sarah Laurie, as you know, is well above your levels of gutter public manipulation and only deals with the truth; you should take a leaf out of her book and do something good for the community in which you reside—for free.

**Climate Change**

Mr MURPHY (Reid) (16:44): There can no longer be any question that a leader of a political party should have at least a basic understanding of the science behind the many complex problems that confront today's policymakers. On Tuesday during question time, the member for Lyne sought clarification on the climate change science policy positions of both the Prime Minister and the Leader of the Opposition.

Of course, the standing orders do not permit the Leader of the Opposition to respond at that time, but yesterday, during a motion put by the member for Lyne, the opposition hid behind the mechanisms while expecting all to believe the bald-faced assertions that they really accept and embrace climate change science. But where was the Leader of the Opposition?

It is quite apparent that the Leader of the Opposition is running away at the speed of light—dare I say—from fully accepting the science on climate change. Why? That is an important question that goes unanswered by the Leader of the Opposition. Does he fully understand the science? Or is he ignoring it simply for political expediency?

We can ignore the science and continue to believe that the earth is flat or we can accept the overwhelming scientific evidence that says quite the opposite. The overwhelming science supports that there are man-made impacts on climate change and yet the Leader of the Opposition prefers to duck and dive when it comes to global warming and climate change—simple political expediency. The Leader of the Opposition has repeatedly distinguished himself as a person who, as we witnessed in this place this week, is being dragged, kicking and screaming to the issue of climate change.
In any case, the Leader of the Opposition's inability to understand the details of science based issues is not a recent development. Even during the time that he was the Minister for Health and Ageing, he managed to make a number of misguided policy decisions that he was subsequently forced to reverse following an outcry from health scientists and the medical profession. In particular, during the bird flu crisis in 2005 the then Minister for Health and Ageing, against the best expert advice, locked up supplies of antiviral drugs, despite the policy being condemned by, amongst others, Graeme Laver, Professor of Biochemistry and Molecular Genetics at the Australian National University. Professor Laver said at the time:

Just imagine if your child gets sick. You know it's bird flu, you know there's a drug available. You know Tony Abbott has it locked up. You want it now and you can't get it. This is totally absurd. The drug should be available for everyone.

Of course, following the inevitable outcry, the then Minister for Health and Ageing abruptly dumped his previous policy and piously announced:

In order to try to reassure the public that no favourites are being played here ... I have said to the public I will not be making anti-virals available to me and that if we have a pre-pandemic vaccine I would be the last person in Australia to be given it.

As we know, far more by luck than by skilled management from the then Minister for Health and Ageing, the bird flu pandemic did not materialise. Yet the risk remains of an outbreak of a serious life-threatening disease, as does the chance that a disaster could be compounded by an Abbott government, led by a person who has demonstrated his ambivalence towards the science and advice of experts.

There is no longer any doubt that global warming and climate change are occurring and are being driven by the accumulation of carbon dioxide in the atmosphere which is being produced by large-scale burning of fossil fuels. That is the soundly based advice of climate scientists and other experts all around the world. Yet, if you ask the Leader of the Opposition if he understands the evidence that carbon dioxide is responsible for global warming, he would tell you that:

... whether carbon dioxide is quite the environmental villain that some people make it out to be is not yet proven.

Or he might tell you:

The climate change argument is absolute crap, however the politics are tough for us because 80 per cent of people believe climate change is a real and present danger ...

That last statement was made in 2009. By that time the proposition that carbon dioxide was driving global warming—far from being, in the words of the Leader of the Opposition, 'crap'—was building on more than a century of understanding and measurements and was beyond any reasonable doubt.

In conclusion, with all the evidence that the detailed calculations and anecdotal evidence from older people who have seen changes such as more severe droughts, heat waves and bushfires that can be strongly attributed to the effects of global warming, we must ensure that the Leader of the Opposition joins the battle against global warming and climate change in the spirit of bipartisanship for the future of our generations.

**Overseas Trained Doctors**

Mr NEVILLE (Hinkler—The Nationals Deputy Whip) (16:49): I would like to preface my remarks tonight by saying this is not a criticism of the health minister; it is done by way of an appeal to both sides of politics that, regardless of the outcome of the election on 14 September, we do something
sensible to straighten out the rules with respect to overseas trained doctors. I want to quote a few examples.

I have a doctor who has come to see me. He did his training at Witwatersrand in South Africa, which at the time had one of the leading medical schools in the world—even compared, at the time, to Harvard. He did his postgraduate work in London, then went to New Zealand where he went into private practice and into public medicine. He completed his Australian and New Zealand fellowship in general practice and went on to do another fellowship in health administration. He came to Australia where he took over a health region. He came to our hospital to straighten up Bundaberg after the Patel scandal and a registration scandal.

He runs a hospital at Hervey Bay that sees 64,000 outpatients a year; 42,000 of whom are GP-type patients. He applied for his registration as a GP and was knocked back. This is a guy who sees 42,000 people—either himself or as supervisor to other doctors who see them. To add insult to injury, a month or two after he was knocked back, they said they would give him a Medicare number if he would agree to do just weekend and evening work. That is an outrageous misuse of the power of the bureaucracy, and it demeans the standard of our college of general practice. If a person is good enough to look after 42,000 patients, if he is good enough to hold two fellowships, if he is good enough to straighten out one of Australia's worst hospital scandals—and they turn around and say to him, 'You can do night work but you are not good enough to work during the day.' It is about time that sort of nonsense stopped.

Two other doctors came to see me the other day. One has just finished her GP fellowship and the other one has about 12 months to go. The first applied to get her Medicare number and they said, 'You've been in Australia for about four years,' and she said, 'That is correct.' She had been in a supervised private practice for 3½ years or more of those four years. They said, 'No, you can't have one because you have not done an English test in the last three years.' She has been dealing with Australian patients, English-speaking patients, for 3½ years of those four years. Her acuity in English would be vastly superior to what it was 3½ years ago. At the time, 3½ years ago, she got seven out of 10, and her husband got 8½ out of 10. So their English is quite clear. Yet she is going to be subjected to the demeaning practice of having to go through her English exams again. We are screaming out for doctors in country areas, and we are going on with this puerile nonsense.

The other doctor did his degree in Melbourne and went to England where he became quite a famous GP and wrote for medical journals—including, I understand, The Lancet—then went to New Zealand and managed a health region. He had done his primary degree in Melbourne and when he came back to Australia he applied for registration as a GP. With all that background—he was actually writing the textbooks, if you like, for GPs; and all doctors read The Lancet and so on—they basically said to him, 'You are not good enough to get a Medicare number and go into general practice.' They actually wanted him to sit his basic exam again. Finally, the Director of Orthopaedics at the Bundaberg Hospital, who has his fellowship in orthopaedics and was trained in the UK and Zimbabwe, has been asked to go through a whole series of hoops, as has his wife and child.

If we want foreign-trained doctors, overseas doctors, to come to this country, and if we are sure of our own fellowships, we should stop this infantile nonsense and
start treating people in the medical profession with respect.

**Cadbury Factory**

**Maroondah Schools Anzac Day Service**

Mr SYMON (Deakin) (16:54): On 17 April I had the great pleasure of visiting a large employer in my electorate—in fact, the largest private employer—the Cadbury factory. These days it is owned by Kraft but it is still a local institution. This factory has been in various names since 1966. A chocolate factory is a favourite for many people, especially when it is in one's own electorate, but it is such an important part of the electorate because so many people who live locally work there. I was delighted to be there with our Minister for Climate Change, Industry and Innovation, the Hon. Greg Combet. We were hosted by Simon Talbot, Kraft Foods Director, Corporate Affairs, Australia and New Zealand.

Being such a large facility, the good thing about Cadbury in Ringwood is that it is continuing to grow. It now has a research and development team of over 100 staff. They have what sounds to many people to be one of the best jobs in the world, and that is tasting chocolate. I must say that when I was there I got the opportunity to make my own marvellous creation—which is a brand of Cadbury. I have to say very quickly that it has not gone on sale, but I did make up my own version. To see what is done in the R&D facility there is quite special. It is very high-tech. It has only just recently opened and it is also, as I understand, going to be used for other food manufacturers outside of Cadbury itself. That is also a great thing.

As I said, the factory has been there since 1966. It employs between 800 and 900 people. To give you a couple of statistics: it makes over 300 different types of product and 200 million Easter eggs a year. It is a really good example of what investment in our local area has done over a long period and continues to do to make a high-quality product which I think most people would say they want more of.

On the same day I also had the great pleasure of attending the Maroondah schools Anzac Day service with the Prime Minister and Minister Garrett, our school education minister. That was held at the sound shell in Ringwood. That was also a wonderful event. It was hosted by the Rotary Club of Ringwood, with the great work of Fran McLean from Ringwood Rotary and Joan Young, the president of Ringwood Rotary. It was a particularly special service. We had 20 different local schools attend all at the one time and it was all fantastically organised.

We had music by Tintern Senior School. We had an Anzac Day address by Lieutenant Commander Damon Craig from HMAS *Cerberus*. We had an address from the mayor, Councillor Nora Lamont. We also met up with Peter Milford, representing Legacy and the Ringwood Chamber of Commerce, and Joan Young, the president of the Rotary Club of Ringwood.

The children of the schools that attended were particularly well behaved. Sometimes students when they are out in large groups tend to do a lot of mucking around, but these kids were really well behaved. They were in the lower years of secondary school. We had students from Aquinas College, Dorset Primary School, Eastwood Primary School, Heathmont College, Heathmont East Primary School, Holy Spirit School, Marlborough Primary School, Norwood Secondary College, Our Lady of Perpetual Help Primary School, Ringwood North Primary School, Ringwood Secondary College, Ruskin Park Primary School, Sacred Heart School in Croydon, the Good Shepherd Lutheran Primary School, Tintern School, Tinternvale Primary School, Warranwood...
Primary School, Yarra Road Primary School and Yarra Valley Grammar.

I usually get to this service each year and, fortunately, I can say that this year the weather was very good. It is not always so in April. It was a great event not only for the school students who were there but also for members of the community who attended. It is a special thing to get that many people in one place at one time. Without the organisation of the Rotary Club of Ringwood it would not have happened. It is a big ask to get 20 schools to get their students to be in one place at one time, to be organised and then to have the level of respect that a service like an Anzac Day service should have.

My congratulations to everyone involved in organising it. I certainly congratulate the schools and their students, particularly on their demeanour and behaviour on the day. I wish everyone involved the very best and hope that they continue to do that for many years to come.

House adjourned at 16:59

NOTICES

The following notice was given:

Ms Smyth to move:

That this House recognises that:

(1) wind energy is an important and safe source of renewable energy;
(2) wind energy generation will play a crucial role in enabling Australia to meet its existing renewable energy targets;
(3) bipartisan support for Australia's renewable energy targets is essential to reducing carbon emissions in Australia's electricity sector; and
(4) any move to diminish or abolish the current legislated renewable energy targets would have serious and detrimental impacts on investment in renewable energy, impede Australia's ability to reduce carbon emissions by at least 5 per cent below year 2000 levels by 2020, and undermine the move to a clean energy future.
Thursday, 30 May 2013

The DEPUTY SPEAKER (Mr Lyons) took the chair at 09:30.

CONSTITUENCY STATEMENTS

Wesley Research Institute

Mrs PRENTICE (Ryan) (09:30): I rise to speak about some extraordinary work coming from the Wesley Research Institute in Brisbane. I recently had the opportunity to attend the Wesley Research Institute gala dinner in honour of the donors, both individuals and organisations, who give so generously to the institute. It was held at the beautifully restored Brisbane City Hall.

The Wesley Research Institute is a leader in clinical research in Australia. It encourages a culture of medical research in the Wesley Hospital and throughout UnitingCare hospitals and in the private hospital sector generally. The institute also brings together researchers from other organisations in vital collaborative research. Most importantly, many people are benefiting from the progress that this research is making in patient care. This work, however, could not continue without the generous support of many individuals and organisations, and I was pleased to hear Queensland minister Ian Walker announce a new joint project between Australia Pacific Liquid Natural Gas and the institute.

APLNG is developing a significant energy project in central and south-west Queensland. The members of APLNG—Origin Energy, ConocoPhillips and Sinopec—will fund a major research project to improve the health and wellbeing of the people in the regions in which the project is being developed. The Wesley Research Institute will plan and coordinate the research in collaboration with other research organisations. The researchers will examine what factors determine the health of people in the Surat Basin and Gladstone regions and propose solutions to address the issues. APLNG will commit up to $1 million over the next two years for the project, which is also supported by the Queensland government. This is a wonderful initiative and a truly ambitious program that should have long-term benefits for people in rural and regional Queensland, and ultimately in many other parts of Australia and other countries.

I would like to recognise the dedication of Wesley Research Institute chairman, Martin Albrecht AC, and the board who work so hard to raise money for this vital research. The dinner on Saturday raised $1.3 million—an amazing achievement. It gives me great pleasure to speak of the Wesley Hospital's achievements today. I believe that funding of medical research is the best long-term investment a government can make in the health of the Australian people. The Wesley Research Institute is indeed a leading light in the fields of Australian medical research and practice.

Petition: Tarkine

Mr SIDEBOTTOM (Braddon—Parliamentary Secretary for Agriculture, Fisheries and Forestry) (09:33): Good morning, colleagues. A few months ago in Burnie there was a major pro-mining economic development rally. It was largely organised by the Australian Workers Union under the motto of 'Our Tarkine, Our Future'. Effectively, what that large rally supported and demanded and expected was that we should be able to have a balance, a proper
responsible, reasonable balance, between economic development in our region along with protecting those very important parts of the environment that we believe are worth protecting.

From that rally, there was a major petition that I brought to the parliament and personally presented, with members of the Australian Workers Union and other community representatives of that rally, to Minister Burke. Subsequent to that rally and that petition, Minister Burke ruled, going through proper, responsible and due process as he always does, that there would not be a blanket lifting of the National Heritage listing of the Tarkine region, but he did nominate significant cultural sites for Indigenous cultural history in the area.

Subsequent to that the minister also gave permission for Shree Minerals to pursue mining on their site at Nelson Bay River and subsequent to that a number of hard green individuals and organisations in Tasmania essentially declared war on that decision and said that they would oppose it at every step. Last Saturday I attended another rally in Tullah on the west coast. Two thousand people attended and demanded that we again support responsible development in the Tarkine region. They are sick and tired of having minority groups trying to derail what we regard as balanced, responsible development.

I was given a petition by Joy Gillies from Circular Head. Over 300 people signed this petition that I gave to Minister Burke. I will be seeking leave to table this as a document as soon as I finish. I say to those hard green groups: ‘Be responsible. Get rid of the old politics and look to restoring balance in Tasmania. We need important economic development along with environmental protection.’ I seek leave to table the petition as a document.

The DEPUTY SPEAKER (Mr Lyons): Leave is granted. The document will be forwarded to the Standing Committee on Petitions for its consideration. It will be accepted subject to confirmation by the committee that it conforms to the standing orders.

Australian Industry Trade College

Mr VAN MANEN (Forde) (09:36): I recently held a local information evening in Beenleigh with business owners from the Forde electorate and the Australian Industry Trade College. The Australian Industry Trade College was established in 2008 on the Gold Coast at Robina by industry leaders in response to a need for an alternative style of senior education geared towards people who are focused on apprenticeships and traineeships. Over 650 apprenticeships have been created as a result, with over 98 per cent of the graduates achieving their senior school certificate. By 2012 more than 90 per cent of these graduates had finished school and were employed as apprentices. This is certainly a wonderful, positive outcome for these young people who may normally not have completed their senior schooling and left at year 10. It has provided them with an opportunity to follow a traineeship or apprenticeship in something that they are interested in.

At the AITC students attend college in four- to eight-week modules or blocks and are in a work placement for the remainder of the term, gaining up to 45 per cent of their trade qualifications by the end of their year 12 studies. When they are out on work experience they are being paid and this helps them pay their tuition costs in addition to giving them a sense of independence and responsibility. At the information evening CEO Mark Hands explained that often graduates leave the AITC and head into full-time employment in an apprenticeship or traineeship. As the students have already completed part of their formal training, it means they are able to enter into that workplace with a set of skills that makes them far more
productive to the employer. The AITC focus on only a core curriculum of English, maths, business and information technology programs in addition to some physical education. I was impressed to hear how the students also learn how to be proactive in finding their own work experience and jobs through dedicated support people on staff.

I am working with the AITC to establish a campus in the Forde electorate in Beenleigh because we have a large manufacturing, construction and retail industry base and those industries need educated, enthusiastic young trainees. I would like to see the opportunity provided to the young people of Forde to finish their secondary schooling while at the same time have a foot in the door to employment, which we all know is getting more and more difficult. So this provides more choice for young people when it comes to planning for their future careers.

Penrith Symphony Orchestra

Mr BRADBURY (Lindsay—Assistant Treasurer and Minister Assisting for Deregulation) (09:39): I rise to congratulate the Penrith Symphony Orchestra on their 25th anniversary concert, which I had the pleasure of attending last Saturday night.

There are not many local communities that can boast having their own symphony orchestra. I am proud to say that under the artistic direction of conductor Paul Terracini and the board, the people of Penrith have enjoyed live classical and orchestral music in our own community.

The board is currently chaired by president, David Cervi, and its members are made up of a group of very dedicated volunteers: Robert Firth, Pamela Fisher, John Mullane and Anne Plummer. I take the opportunity to thank them all for their fine work.

The 25th anniversary concert was performed by the 70-player orchestra in collaboration with a 140-voice choir, which included two children’s choirs from the local area. The performers featured three of Australia’s finest young solo singers: Sarah Toth, a soprano, Pascal Herrington, a tenor and Alexander Knight, a baritone. Each of these soloists are also graduates of the Sydney Conservatorium of Music.

Also performing in this concert were three members of the violin section: Margaret Bournes, Margaret Smith and Lois Gillan, all of whom are local residents in Penrith and founding members of the orchestra since its establishment in 1988.

Another founding member, and perhaps one of the most dedicated volunteers, Jenny Bounds, has been instrumental in the development of the orchestra for 24 years, until her retirement last year. Jenny was awarded an OAM in 2001 for her services to the Penrith Symphony Orchestra and other musical organisations in our local community. I also acknowledge Jenny’s husband, John, who has been a great contributor and member of the PSO.

Among the most senior members of the orchestra—and aged around 80—are Miluska Simkova, a retired professional opera singer, formerly with Opera Australia, who now shares her talents with the community through her work as a violin teacher; and Fred Backer, a retired engineer and keen amateur double bass player.

At the other end of the spectrum, amongst the youngest players in the orchestra are 17-year-old Minami Takahashi, currently a local student at St Marys Senior High School, and 17-
year-old Emily Blanch, a student at St Paul's Grammar School and whose four younger brothers and sisters were also involved in the concert as members of the children's choir.

Once again I take the opportunity to congratulate the Penrith Symphony Orchestra on their outstanding performances last Saturday night and also on their 25 years of serving our local community and the broader Western Sydney regional, ensuring that local residents in Western Sydney have the opportunity to imbibe the great classical delights of the Penrith Symphony Orchestra. I wish the PSO all the very best for the next 25.

**Foreign Aid**

Ms O'DWYER (Higgins) (09:42): When I delivered my maiden speech in this place in February 2010 I spoke about the importance of foreign aid as one of our moral responsibilities as a nation. I would be the first to say, though, that in and of itself foreign aid is not the only solution to lifting people out of poverty. We all know that the quickest and most effective way to do that is to create strong economies and to open up new markets to trade.

However, today I wanted to remark on the foreign aid question. I know it is an issue that many of my constituents feel very strongly about. There are three things that I want to raise today. The first is to make sure that the aid Australia delivers is effective and efficient; the second is to ensure that when we as a nation make a commitment we do what it is that we say we will do; and the third is to highlight the recent Gillard government's announcement to strip further funding from foreign aid and to appropriate that particular funding to use for their border protection failures.

In terms of aid effectiveness, before the last election we made a commitment that in government we would ensure that we would respond to the Australian National Audit Office concerns regarding Australia's aid effectiveness. We were pleased, of course, that the government instituted a review in response to our statements, and conducted that review. Since that review has been announced and the recommendations have been tabled we would say that the government has not fully implement the recommendations to ensure that aid is used effectively, and that there needs to be real strict performance benchmarks put in place. That is something we will do.

As you know, we also made a commitment as a nation to increase the aid budget to 0.5 per cent of gross national income by 2015-16 when we were standing for our seat on the United Nations Security Council. This of course was pushed back to 2016-17 in last year's budget, and in this year's budget it was pushed back again to 2017-18.

The final point that I wish to make in the time remaining concerns the decision in the current budget to defer the target date to increase aid. This follows the stripping out of around $375 million from the aid program to help cover our blowout from the government's border protection costs, a $10 billion blow-out, as a result of their dismantling of the previous border protection program. We are in the invidious position now where Australia, our nation, is the third-largest recipient of Australian aid. I think most people would be quite concerned to hear that our foreign aid is being used in this way.

**World's Greatest Shave**

Ms BRODTMANN (Canberra) (09:45): Before parliament rose in March, I joined many of my fellow southsiders in Canberra to help raise awareness and funds for the Leukaemia Foundation. Each year between 14 and 17 March, thousands of Australians show they are
brave and caring enough to have their hair shaved or coloured to raise much-needed funds for the foundation.

Now I did not have my head shaved. But I did shave someone else's! I visited the Goodstart early learning centre in Garran and shaved the head of their wonderful centre director, Kirsty Watters. Fortunately, I was assisted by a hairdresser, because had it been left up to me it would have looked pretty ordinary for Kirsty. But fortunately there was a hairdresser there and Kirsty was made quite beautiful once finished. All the children of the centre were buzzing around and Kirsty's husband was there videoing the ceremony. So it was quite an event, quite a spectacle, and she is a very brave woman.

Kirsty has been working in early childhood education for 13 years and has been with Goodstart for eight of those years. Kirsty bravely decided to take part in the World's Greatest Shave after a child in the centre was diagnosed with leukaemia. She really loved this child very much and was moved by that love into action. Kirsty raised a very impressive $3,000 for the Leukaemia Foundation through her efforts.

The World's Greatest Shave raises about half the money needed each year by the Leukaemia Foundation to complete its important work. The money raised through these shave-for-a-cure activities goes towards research which is needed to find better treatments and cures for leukaemia, lymphomas, myeloma and related blood disorders. It also helps families when they need it most. The money raised provides them with a free home away from home when they are getting their treatment near hospitals. It also means that patients can be transported to their appointments and given assistance and emotional support.

The support they get is incredible. In the last 14 years over a million people have shaved or coloured their hair. These people have raised more than $138 million. Through the work of so many Australians, and so many in my electorate, so many people like Kirsty Watters, this is now the biggest source of income for the Leukaemia Foundation.

Every day over 30 Australians will be diagnosed with leukaemia, lymphoma, myeloma or a related blood disorder. That is more than 11,500 people each year. Although survival rates are improving, blood cancers like these are still the second biggest cause of cancer death in Australia. This is why the ongoing work of the Leukaemia Foundation is so important. I thank everyone in my electorate, and indeed all Australians who take part in activities that help the foundation. In particular I would like to thank Kirsty and the team from Goodstart, Garran, for inviting me to participate in their shave.

Petition: Mackay Gymnastics Facility
Petition: 000 Emergency Services Line

Mr CHRISTENSEN (Dawson) (09:48): I want to raise two issues here this morning of great importance to my electorate, the first regarding the Mackay Gymnastics Club. In 2011, the club submitted an application for funding through the Regional Development Australia Fund. Mackay has always produced more than its fair share of top gymnasts, with an international and three national gold medallists. These athletes train in facilities that are limited to what they can fund with small raffles and that sort of thing.

In contrast, out of that RDA funding, the Geelong Football Club picked up a cool $10 million to upgrade their home ground stadium, which already seats nearly 30,000 people. So when Mackay gymnastics lodged their funding application, the local newspaper in Mackay,
The Daily Mercury, described at their facility as a ‘tin shed’—albeit preceded by a colloquial adjective which is no doubt unparliamentary, but in this instance quite true. The article highlighted local gymnast Claire Black, who was competing on the international stage in South Africa, and how she was forced to open the shed doors of the facility that they were in and start her run-up for the high bars on a plank of wood.

I present a petition which has been submitted to the Petitions Committee and deemed to be in order.

The petition read as follows—
To the honourable speaker and members of the House of Representatives:
This petition of the people of Mackay draws to the attention of the House that;
The Mackay community needs a state of the art facility for local gymnasts,
And therefore we ask that members of the House of Representatives to;
Request the government award a $750,000 grant for the construction of a new Mackay Gymnastics Regional Multi-Purpose Facility.
from 1,312 citizens.
Petition received.

Mr CHRISTENSEN: The second issue I want to raise is regarding an incident which occurred over the Australia Day weekend. We had flooding right throughout Queensland, putting many communities under pressure, with that flooding posing serious threat to both life and property. It was made all the worse by Telstra's main fibre optic cable, which connected North Queensland to the rest of the country, being cut. A backup line which runs further inland suffered a similar fate, so Telstra customers were effectively cut off from communicating with anyone in the south. Unfortunately, that resulted in the loss of 000 emergency services for almost 24 hours.

During that time, two of my constituents—Colin Gray, 81, who suffered a heart attack, and Fay Craigie, 75, who suffered a fall—both required urgent medical assistance. Unfortunately, their home medical alert buttons failed to link them with the 000 emergency services. I regretfully say that both of them passed away a few days later. As a result of these tragedies, Fay's daughter, Anne Maree Rankmore, and Colin's daughter, Yvonne Smith, spearheaded a petition seeking assurances that similar circumstances would not happen again.

I am happy to report to the House, after discussions I have had with Telstra, that there have been technical changes made to their mobile phone towers to rectify the situation in future. They also have a new dedicated 000 landline. I ask the government to further liaise with telcos to secure the connection to 000 services. I am happy to present another petition deemed in order by the Petitions Committee.

The petition read as follows—
To the Honourable Speaker and Members of the House of Representatives, this petition of the certain citizens of Australia brings to the attention of the House that;
Telstra customers in Central and North Queensland utilising mobile phones and personal medical alert systems were unable to connect through to the emergency triple zero service for a significant period of time during the 2013 Australia Day long weekend.
And therefore we ask the House to;
Request the Australian Government work with all telecommunications service providers to ensure that mobile phones and personal medical alert systems are able to connect with the emergency triple zero service at all times.

from 493 citizens.

Petition received.

Ballarat Electorate: Cancer Care

Ms KING (Ballarat—Minister for Road Safety, Minister for Regional Services and Local Communities and Territories) (09:51): I was pleased to announce last week funding of over half a million dollars from the Gillard government that will help deliver new cancer patient accommodation in Ballarat. That is following an agreement with the Victorian government to enhance existing cancer services and centres across regional parts of the state. Patients requiring treatment at the new Ballarat Regional Integrated Cancer Centre, and their families, will be able to stay in affordable accommodation built to support them during a very challenging time.

There are few of us who have not been touched by cancer either directly or indirectly through the experiences of loved ones, family and friends. Cancer is the leading cause of death in Australia. In Victoria alone, we currently lose around 11,000 people to cancer every year. However, through early detection and treatment, survival rates have increased steadily over time, saving thousands of lives. But research has shown that survival rates for cancer patients in rural and regional areas are poorer than those in metropolitan areas, with the gap in treatment outcomes increasing in step with distance from a metropolitan area.

This government has been committed to fighting cancer and closing that gap in cancer outcomes between the city and the country. All Australians with cancer should have access to the right care, close to their homes and loved ones, irrespective of where they live or their social circumstances. That is why we have invested $42 million towards construction of the new $55 million Ballarat Regional Integrated Cancer Centre, which commenced treating patients just last month and will be fully operational by July. With increased capacity to treat 800 additional patients locally, this dedicated cancer treatment centre will improve the experiences and outcomes of patients by offering world-class services in Ballarat and for the wider Western District region. Some patients need to travel long distances to receive their treatment, and the new accommodation announced in Ballarat will also help to take the stress out of having to find cheap, quality accommodation close to the cancer centre and the hospital precinct. This will remove further barriers of inequity for people in regional Victoria.

The agreement complements the new care package, World Leading Cancer Care, announced in the 2013-14 budget, which will invest more than $226 million to detect, prevent and deliver cancer care and support services. Since 2007, this government has committed $3.5 billion for cancer detection and treatment, including a record $2 billion in the 2009-10 budget to build a world-class cancer care system for Australia. This is an important area, and I note the member for Solomon here, who has cancer treatment now in Darwin for the first time. Many people used to have to travel to Adelaide for cancer treatment. This government has made a significant commitment to improving the outcomes for regional Australians who are suffering from cancer. (Time expired)
**Solomon Electorate: Sport**

Mrs GRIGGS (Solomon) (09:55): I rise today to talk about the Solomon local sporting grants that have been awarded in my electorate for round 2 and round 3 for the financial year 2012-13. Grace Fuller, who is from Nightcliff, travelled to Tamworth for the Australian under 16 basketball championship. Matthew Southwood travelled to Adelaide for the Australian schoolboys under 15 hockey championship. Lauren Northcote travelled to Canberra for the under 15 national women's hockey tournament. Made Budalasia travelled to Nowra for the 2012 Under 13 Boys National Championship. Bayley Valentine travelled to Chengdu for the Ninth Asian Youth Girls' Volleyball Championship. Ewan Gerken travelled to Coffs Harbour for the Football Federation Australia national youth championship. Elizabeth Paice travelled to Brisbane for the under 12 touch football championship. Jordan Carriera travelled to Brisbane for the School Sport Australian touch championship. They were all the round 2 grant winners, who received $500 each. Their parents were absolutely delighted because, as everyone knows, Darwin is a long way away from all the other jurisdictions. I remind all of my colleagues that Darwin is closer to Asia than it is to any capital city in Australia.

The round 3 winners of the Solomon sporting grants were Ben Lye, who did the under 14 tennis championship. Friends Zain Dilshad and Steven Sawyer went to the BMX national championship in Brisbane, and I was fortunate enough to see both of them there. Connor Wright, who does both athletics and hockey, went to Perth for the junior athletics championship. Lachlan Boye and Isaac Boye went to Adelaide for the swimming championship. McKenzie Lawrence went to the under 15 Northern Territory Australian football championship. Jackson Tremlett went to the basketball school championship. Emily Stephenson went to the under 13 hockey championship in Tamworth. The under 18 girls basketball team travelled to Brisbane for the national junior basketball championship. They were Caitlin Chamberlain, Lucy Murray, Kelli Sealy, Telecia Browne, Reina Shean, Tara Maxwell, Emma Carbone, Rochelle Fejo-Tasker, Ashleigh Mclean and the team manager Monika Stenberg. *(Time expired.)*

**Melbourne Ports Electorate: Port Melbourne**

Mr DANBY (Melbourne Ports—Parliamentary Secretary for the Arts) (09:58): Many residents of Port Melbourne are quite rightly concerned about the proposed high-rise development known as Waterfront Place. The proposal from property developer BCNA is to build residential buildings of five, 10 and 19 storeys on the site, removing existing restrictions in this area which currently require any development to be no more than five storeys high and predominantly for community use.

The City of Port Phillip determined the plan was not satisfactory, but it is my understanding that the developers applied to the Victorian Civil and Administrative Tribunal to make changes to the plan to allow them to proceed. Although there is no date set for the hearing, I believe it will be soon. I am concerned about the breach of the original Mirvac arrangements for this site and the detrimental effect that this inappropriate high-rise will have on our local community. This area was always planned to be low-rise and a gateway to the port, particularly for the cruise shipping industry, which regularly uses the port with ships such as the *Spirit of Tasmania*.

The amenity issues such as traffic and congestion caused by such a development would choke this area should it go ahead. Because of the adverse effects that this development could
have on the operations of port facilities, I have written to the federal Minister for Infrastructure and Transport, the Hon. Anthony Albanese, regarding my concern about the impact that such a development would have on shipping and asking how the federal government can assist the local community by removing potential negative impacts of this development on local amenities.

Further, I have written to the state Minister for Planning, the would-be Premier, the Hon. Matthew Guy, calling on him to stop sitting on his hands and to help the community to support Melbourne and Beacon Cove by preventing such inappropriate development, which not only impacts on the living standards of local residents but also has the potential to hinder effective operation of crucial tourism and the cruise shipping business. It is crucial for the local area and for Victoria that we keep Port Melbourne gateways open, for the benefit of residents and local industry alike. The Kuwaiti royal family's sovereign wealth fund paid too much for this and—

The DEPUTY SPEAKER (Mr Lyons): Order! In accordance with standing order 193, the time for members' constituency statements has concluded.

BILLS

Sex Discrimination Amendment (Sexual Orientation, Gender Identity and Intersex Status) Bill 2013

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Mr KEENAN (Stirling) (10:00): I rise to speak on the Sex Discrimination Amendment (Sexual Orientation, Gender Identity and Intersex Status) Bill 2013. This is a bill to extend antidiscrimination protection on the grounds of sexual orientation, gender identity and intersex status, as the title of the bill suggests. This bill follows from the government's abandonment of its Human Rights and Anti-Discrimination Bill on 20 March. Its principal effect is to adopt the recommendation of coalition senators, in the minority report of the senate committee which inquired into the bill, that the Sex Discrimination Act should be amended so that it extends to discrimination on the basis of sexuality. It should be noted that this was the policy which the coalition took to the 2010 election, and it remains coalition policy, which the government has now adopted. While the coalition supports the passage of this bill through the House, I wish to note that amendments may be moved in the Senate following the report of the Senate committee. I understand that there are some conversations ongoing between the two parties on this. Obviously, if there are going to be any amendments, they will need to be discussed in the other place.

Mr DREYFUS (Isaacs—Attorney-General, Minister for Emergency Management, Minister for the Public Service and Integrity and Special Minister of State) (10:02): I thank the honourable member for his contribution to the debate on the Sex Discrimination Amendment (Sexual Orientation, Gender Identity and Intersex Status) Bill 2013. This bill will make an important change to protect people from discrimination on the basis of sexual orientation, gender identity and intersex status by extending the protections in the Sex Discrimination Act. It also provides protection from discrimination for same-sex de facto couples. These protections are long overdue. Members of Australia's lesbian, gay, bisexual,
transgender and intersex communities continue to experience discrimination in their daily lives, particularly in accessing services we should all be able to take for granted.

The new sexual orientation protections will build on the Labor government's reforms to 85 Commonwealth acts which removed discrimination against same-sex couples and their children. The amendments will provide that discrimination on these new grounds is unlawful in work, education, provision of goods, services and facilities, accommodation, land, clubs and administration of Commonwealth laws and programs. The introduction of these new grounds of discrimination will also provide a complaints mechanism for people who consider they have been discriminated against. The Australian Human Rights Commission will be able to investigate and attempt to conciliate those complaints.

I would also like to thank the House of Representatives Standing Committee on Social Policy and Legal Affairs for its inquiry and report and register my appreciation for the committee's speed and industriousness. It has enabled the bill to be considered in a timely manner so that these important protections can be legislated and implemented in this parliamentary term. I also thank the opposition for their support for this historic bill. It is very pleasing to see the opposition now agreeing with what has been very longstanding Labor policy. I advise that the government has circulated amendments to the bill regarding discrimination in Commonwealth funded aged-care service provision and updating terminology in other Commonwealth acts from 'sexual preference' to 'sexual orientation'. Positive discussions are continuing with parliamentary colleagues on these amendments, which the government will look to introduce in the Senate and, if passed, will then be debated further in this place.

I am proud that this government has brought forward, and that this parliament is considering, important protections from discrimination for lesbian, gay, bisexual, transgender and intersex members of our community. I commend the bill to the House.

Question agreed to.

Bill read a second time.

Ordered that this bill be reported to the House without amendment.

**Appropriation Bill (No. 1) 2013-2014**

**Appropriation Bill (No. 2) 2013-2014**

**Appropriation (Parliamentary Departments) Bill (No. 1) 2013-2014**

**Second Reading**

Cognate debate

Debate resumed on the motion:

That this bill be now read a second time.

**Mrs MIRABELLA** (Indi) (10:05): Sadly, this budget confirms that there is no change in direction in industry and innovation policy. In addition to yet delivering more of the same that so-called 'modern Labor' delivers, there is: total gross debt to breach the $300 billion debt ceiling within the forward estimates; Labor's fifth record deficit in five years, and at least two more deficits to come—whatever happened to that promise of a surplus made hundreds and hundreds of times?; a record net debt of $192 billion, no credible path back to surplus; a laughing stock of even the most basic of predictions within the budget; more broken promises
as scrapped tax cuts and family payments hit those in need; and more than $25 billion in higher taxes over the next four years.

There is one thing that this government does do exceptionally well, and that is the use of spin and the unashamed use of Orwellian language. Remember that this was supposed to be a budget about jobs growth! Jobs and growth—and what do we see? That it delivers higher unemployment—up to 5.75 per cent—and lower growth—down to 2.75 per cent. In fact, this is a budget for higher unemployment and lower growth.

It is no surprise: this is what we have come to expect from this sort of government. They blame everyone else! One of the most frustrating and infuriating things about this government—and I share this with so many Australians—is the inability and the stubbornness to accept responsibility for their gross errors of policy and judgement. Why can they not just be upfront and honest and say, ‘We’ve stuffed it up’? Why do they keep trying to blame everything and everyone else?

They say that there is a revenue problem, but revenues are up. It is not a revenue problem that this government have, it is a spending problem. Everyone knows that. Everyone knows that and so does the government, but they stubbornly refuse to accept that.

I do want to focus, as I said at the beginning, on my portfolio of industry and innovation. At a time when Australia's innovators, scientists, start-up firms and manufacturing companies, in particular, are crying out for a new policy direction and for some serious vision, all the budget provided was confirmation that Labor regards making another wholesale cut to incentives for investments by Australian companies in R&D as a headline priority. It wants to speed up shovelling money out the door on its carbon tax compensation programs before the election, not to mention indecently rushing to send out up to another $800 million through the utterly unnecessary Clean Energy Finance Corporation—yet another legacy of that failed experiment of the Labor-Green's alliance.

At the eleventh hour, as part of the carbon tax negotiations, what did we get? A green bank, a slush fund of $10 billion of taxpayers money, borrowed at a time when we have a budget crisis, to pay for what? To pay for projects that are unviable and would not be funded in the private sector. How utterly irresponsible. At a time when we are having a discussion about appropriate funding models for industry assistance and how we need to ensure that there are adequate guidelines and checks for the use of taxpayers' money, here we have this absolutely indecent haste to shovel out almost $1 billion before the next election, at a time when the coalition have made it very clear, from the very beginning, that as part of our abolition of the carbon tax we would get rid of the Clean Energy Finance Corporation. It is in writing and any attempt by this government to shovel out more money, particularly in the caretaker period, would show an absolute disregard not only for good government but also for the will of the Australian people, should there be a change of government on 14 September.

Let us look at what they have tried to deliver in the industry portfolio. They actually still have no idea how they are going to deliver on their 2011 industry precincts announcement or their 2012 spin that they would establish a manufacturing technology innovation centre. In fact, their agenda is so decrepit and so devoid of any new ideas that they think the best thing to do is to try to re-badge a number of failed announcements from the past and pass them off as new. Otherwise, all the budget really did for this portfolio was affirm that the government intends to plough ahead with their limp industry statement from February.
The government has said that it is funding its various changes in that industry statement, guess how? By making yet another deep cut to R&D tax incentives. It made it comically clear that its last round of changes was revenue neutral but now it asserts the cut this time amounts to around $1 billion. Not only is there absolutely no evidence anywhere on the public record to verify that figure but it represents quite a difference from the figures calculated by the government in its own business tax working group when it was modelling the same numbers last year. It is also at odds with the nature of those previous changes made by the government to the R&D tax break system from 2011. Those sorts of changes were specifically designed to reduce the claims on the system by the largest investors in innovative R&D activity in Australia. Pointers to that fact can be found numerous times in Labor's legislation and in its own words, not to mention the words of the Greens—albeit that the words of the Greens proved that they have plainly never had a clue about the sort of damage they were agreeing to inflict on the system when they foolishly passed Labor's 2011 changes. At least in that regard there is consistency.

Yesterday in the House, even though they were directly challenged to do so, no-one on the Labor benches could provide an explanation as to how on earth the $1 billion has been calculated. The reality is that they either do not know or they do not want to explain something they know is wrong. In so far as a serious calculation has been done, one would have to assume that figures for the old R&D tax concession have been used to underpin it, in which case the saving will almost certainly have been over estimated. I would also add that the government first cited the $1 billion figure in February, long before most claimants had concluded all of their R&D spending for the first year of the new system and at which time the government still could not have been anywhere near sure of the full impact their changes have inflicted on large R&D spending businesses. In other words, there is absolutely no reason to be anything other than deeply suspicious and cynical about the claim that the savings they are supposedly making by decimating R&D tax incentives for the second time in this government's history have been accurately calculated. This government is consistent at least in that regard—being utterly incapable of providing any incredible assessments or calculations to do with spending or budget forecasts.

The government has also publicly tried to create the pretence that its industry statement somehow represents an injection of $1 billion in new funding in the industry portfolio, but anyone who has more than a cursory look at their summary figures knows that that cannot be true. Instead, it seems to incorporate about $600 million worth of cuts. Before the 2010 election Labor made billions of dollars of promises to the car industry only to break, after the election of course, $1.4 billion worth of promises to them and add a carbon tax on top of that. The Green Car Innovation Fund was abolished with the stroke of a pen, with around $850 million promised to the industry suddenly gone. The axing of their signature policy for the car industry at the 2010 election, the absolutely discredited and absurd cash-for-clunkers scheme, accounted for a trashing of another $429 million.

What did that do? That just added, as Mike Devereux from Holden has said, to the sovereign risk of investing in Australia. At a time when we are competing particularly for investments from multinationals, what did this government do? Before the election they said to the industry: 'Open up your books. Tell us what you are prepared to do if we commit to these promises.' So in good faith, on the past track record of the Australian government, these
multinationals took the Australian government at their word. After all we are not some tin-pot country that cannot be believed, or so they thought. They were wrong. The word of this government cannot be believed whether it is by taxpayers or by business which seeks to invest in this country. No wonder it has raised the issue of sovereign risk. You cannot tell industry, 'Do this because the government is going to invest this much money. Believe us, take us on our word. Do the right thing,' and then, without even as much as a phone call, trash all of your promises you made to that industry.

The budget papers also confirm the government remains utterly bereft on car industry policy. There still no change to a funding system that has failed both the sector and the Australian taxpayer in a monumental and catastrophic fashion. Under Labor let us have a look at some of the key indicators. Vehicle production has declined in Australia by as much as one-third, exports have dropped by 27 per cent and turnover in the industry has fallen by 18 per cent. Around 20,000 car industry jobs have been lost, or around 80,000 direct and indirect jobs that are car industry related if you apply the multiplier that the government regularly uses. They are now in such a state they are even consumed by illogical internal debates about re-regulating the Australian dollar and raising tariffs, which is no surprise when you examine some of the members on the other side. They thought they had a safe Labor seat for life, a great ticket, and then all of a sudden they find a Prime Minister—arguably the worst one in history—

The DEPUTY SPEAKER: Member for Shortland.

Ms Hall: Mr Deputy Speaker, I would like to ask a question of the member.

The DEPUTY SPEAKER: Is the member willing to give way?

Mrs MIRABELLA: No.

The DEPUTY SPEAKER: No questions?

Mrs MIRABELLA: No. So we find that these Labor members are prepared to say anything and do anything to get them through the election because they know that this Prime Minister has trashed the Labor brand. They are desperate to hold onto a seat they thought they would have for life. They should have considered the jobs of people in their own electorates. Those people will pass judgement on them for the policies that have destroyed confidence and pushed up the cost of making things in Australia and of employing people.

Ministers like the minister for trade and the minister for transport are out there, suddenly blaming Ford for not having a sustainable business model or an export strategy. The question is asked: 'When did the Labor Party know? Did they know that when they made a secret deal behind closed doors to grant Ford $34 million?' But we will not get any of those answers, because this government is about making secret deals behind closed doors to save its own—

(Time expired)

Ms HALL (Shortland) (10:20): I rise to speak on the Appropriation Bill (No. 1) 2013-2014 and cognate bills—what I think is a very responsible budget. Unlike the previous speaker, I will refer to facts and highlight my contribution to this debate based on sound data. I will not be making ad hoc statements that cannot be confirmed. I will not be accusing members on the other side of things that are totally irrelevant to the debate. Rather, I will be concentrating on what this budget delivers to Australia.
When I say it is a responsible budget, I mean it is a budget for our time. It is a budget that offsets all spending with savings. It is a budget that is not about throwing money at any particular group within the community. It is not a pre-election budget where there is a war chest and every person in Australia is being given some sort of bonus. Rather, it is a responsible budget that is designed to maintain our economy.

When we look at the performance of the Australian economy the one thing that is a standout is the fact that we have a gold-plated AAA rating, where every rating agency had given Australia a AAA rating. This is virtually unheard of. When we talk about the handling of the economy by the current government, it cannot be questioned in any way. Look at the way Australia performed during the global financial crisis; we performed better than any other developed country. The facts are on the table. Prior to the global financial crisis Australia had the 15th largest economy in the world; it now has the 12th largest economy in the world. This shows constant growth and that Australia is performing exceptionally well. Real GDP growth of 2¼ per cent has been predicted for 2014 and 2015, which will continue this strong performance of our economy. By mid-2015 our economy will be 22 per cent bigger than it was before the global financial crisis. These are great figures, great predictions, and every bit of data is backed up by the Treasury. This is not just ad hoc; the Treasury is not shooting off at the mouth as other people have. Rather, it is talking about delivering to Australia one of the strongest economies in the world.

The expenditure in the budget that I find particularly important is the spending on the NDIS. I have been a long-time supporter of the NDIS. My motivation for becoming a member of parliament was to see that people with disabilities could have greater opportunities—they could access employment and many of the things that other people in our society can access. I worked in disability for many years and I could see the barriers that existed for people to be able to just enjoy the basics of life—the things that every other person can enjoy. What the NDIS will do is deliver opportunities to people with disabilities in Australia. I have worked with people over the years who have been unable to get a wheelchair, to access employment and to even get a driver's licence. The NDIS will improve their opportunities to achieve these goals. Maybe not everyone can get a driver's licence but there are people with a disability who could get their driver's licence but have been denied the opportunity because they need extra assistance, and now that will be provided to them through the NDIS.

I am particularly pleased about the fact that the NDIS has been funded in this budget, because one of the trials is in the Hunter. This will mean that people with a disability whom I represent will be able to access the special assistance that will be delivered through the NDIS. In addition, it will be great for parents and carers. I am sure that every member of this House has been approached by a parent of a child with a disability who has expressed their great fear about what was going to happen when they were no longer here. With the NDIS, that will disappear. Funding will be there. The person with a disability can have the expectation that they will be cared for, that they will have opportunities and that they will have a life which is a full life. The NDIS, I believe, is watershed, groundbreaking legislation that really shows Australia as an inclusive society, a caring society. The increase in the Medicare levy has been well received within my electorate. Other funding measures have been detailed in the budget papers that were presented.
Another issue which I would like to touch on is how education and the investment it also has the ability to change the face of Australia. Currently, we have slipped in ranking as far as the education we provide to our young people. Without education and good educational achievement there will be impacts on every aspect of our global economic performance. If you do not have the basics, if you do not get a good education when you are young, you will not have the basics to get the skills and the training that are needed for the jobs that will be available in this 21st century. Education is the key to success in life and, without education and without our being an educated country, we will not achieve our potential.

This budget is investing $9.8 billion in new school funding.

Whilst I have been critical of the O'Farrell government, I would like to congratulate Barry O'Farrell on signing the agreement with the Commonwealth. You have heard it! I am congratulating Barry O'Farrell. He has put the benefit of the people of New South Wales ahead of playing party politics. He knows that this will deliver to the students of New South Wales, it will deliver jobs to New South Wales and it will deliver to the New South Wales economy long into the future. He knows that the investment in school funding is imperative, and he knows that the New South Wales schools have been starved of funding under the current model and therefore he has signed and embraced the funding and investment in school education. So, yes, I congratulate Barry O'Farrell.

I would like to quickly touch on the NBN. There has been agreement to roll that out into the majority of Shortland electorate, and that is something that I know my constituents really value. They want to have fibre to the home; they do not want to have fibre to the node and then copper to the home. They do not want to be in a situation where they are relying on obsolete technology to connect their homes. We all know that there are a lot of problems with copper: we all know that it will deliver a second-class NBN, or second-class broadband connection. The people of Shortland electorate do not want that. They want the NBN. The only complaint that I get is, 'Why can't we have today?' People want it, and they want it as soon as possible. The majority of Shortland electorate stands to benefit from the NBN.

What is this budget about? What is the government about? It is about supporting jobs and growth; it is about investing in schools and classrooms, to make us a smarter country; and it is about being fairer. As I mentioned, fairness is about making sure that each and every child can benefit from a quality education, and fairness is about ensuring that people with disability do not continue to be treated as second-class citizens.

Shortland electorate is an older electorate, and by 'older electorate' I mean it is an electorate that is probably the 10th oldest in the country when 'oldest' is calculated according to people over the age of 65. People in the electorate will stand to benefit enormously from the aged-care reforms. Those mean more packages; more help in their homes—being able to stay in their homes longer; they will not have to sell their homes; and it means there will be quality aged-care available for them, and the certainty of knowing that as they continue to age.

There is more money to the councils; more has been delivered to Black Spot funding; the Paid Parental Leave scheme has been accessed by a number of families within the electorate; and the 'dads and partner pay'. That is in stark contrast to the very elitist paid parental leave that is being floated by the opposition. That is a scheme that will benefit those who are already in a very strong position at the expense of those who struggle and really look to the government for support.
That is the way with superannuation and that is the way with so many things. When it comes to looking after the whole of society there is only one choice, and that is this government: the Labor Party. We can deliver to the people of Australia a fair society, a society where there is a high degree of equality and were each and every person is valued.

I will quickly touch on the fact that, if the opposition are in government after September, the schoolkids bonus will go. The schoolkids bonus benefits so many people within the Shortland electorate, and families contact me regularly asking about when the next instalment is going to be—and, yes, there will be another instalment on 1 July, and families in Shortland will benefit once again.

This budget is about fairness. It is a responsible budget that will continue to deliver to the people of Australia and to the people of Shortland.

Mr HARTSUYKER (Cowper) (10:35): I welcome the opportunity to address members today on the appropriation bills 2013-14. This budget confirms to the Australian people what they have suspected for some time—that is, the government is in chaos, the budget is out of control and Australians are paying a high price for the waste and mismanagement by our Prime Minister and her government. If government backbenchers and the cross-benchers want to understand why they have lost the trust of the Australian people, they should look at this budget and do two things: firstly, members opposite should be honest with themselves by sitting down and objectively seeking the detail of their own budget papers; and, secondly, they should take the time to read the ministerial media releases which were distributed on budget night. If members opposite do those two things, they will get a sense of why the bond of trust between the government and the Australian people is broken—because, if they are honest with themselves, they will find there is a complete disconnect between the messages their ministers are peddling and the reality of this budget.

Over the past five years, federal Labor have delivered government through spin. They have become accustomed and conditioned to believing they can fool the Australian people through media releases. They believe they can spin a line to the Australian people, and the issue is resolved. They believe that, if they can grab a headline, the problem is addressed. We have seen it time and again: an education revolution, the East Timor solution to stopping the boats, the government's commitment to return to surplus and a carbon tax to address climate change. I could go on and on, but the reality is still the same when it comes to this budget—policy by press release without any thought as to how it is going to be implemented and at what cost; policy by press release without any regard to the nation's finances and its impact on taxpayers; policy by press release which relies on government deception. So it is that we have arrived at this point for the 2013-14 budget, a document which essentially epitomises everything that is wrong with this government.

I would like to take time today to highlight to members opposite how this budget is just more government spin and deception. I would like to draw to members' attention to the budget's failure to deliver a roadmap for our nation, instead saddling the next government of the day with a legacy of debt, unfunded promises and budgetary disarray.

There is no better example of this spin than what we have seen in relation to infrastructure. As someone who represents an electorate in which the Pacific Highway is a very important issue, I know every budget has a direct connection to the schedule of works. On budget night this year, the member for Grayndler and the Minister for Infrastructure and Transport issued
media releases lauding this budget for its infrastructure spend. In media releases distributed throughout my electorate, the minister claimed that five Pacific Highway projects totalling more than $3.3 billion would commence construction between now and mid-2014. Great news—if only we could believe this government. The clear intent of these media releases was to grab a headline for the government; and, with some media outlets, I will admit it worked. But most north coast residents have learned over the past five years to ignore media releases. They want to know the funding has been included in the budget. They want to witness the contracts being awarded and they want to see construction underway. They want the road fixed and they want their elected leaders to be honest with them with regard to the schedule of works. So, in that context, what does this budget deliver for the Pacific Highway, especially given the minister's claim that more than $3 billion of work will commence in the next 15 months?

The first and most crucial fact in this budget is that there is no new money for the Pacific Highway. Not one extra dollar is detailed in the budget papers. In fact, in Budget Paper No. 2, under expense measures, there is a long list of new road projects which the government says will be funded through to 2019. The Pacific Highway is not mentioned. The Bruce Highway is mentioned, the New England Highway is mentioned, but there is no mention of the Pacific Highway. However, the budget papers do note that the government will continue Commonwealth contributions to major infrastructure projects from 2014-15 to 2017-18.

An optimist might hope that this will include the Pacific Highway. A realist is more likely to have a closer look at the total infrastructure spend and question how it will impact on the completion date of the Pacific Highway. When we have a closer look at the government's total infrastructure spend, guess what? It has gone down. That is right, it has gone down. Despite all the press releases from Minister Albanese, and all the spin from people such as the member for Lyne, what we do know is that this budget has confirmed that total infrastructure spending on road and rail has been cut from $36 billion over six years to $24 billion over five years. Effectively this is a cut of $1.2 billion a year.

How does this impact on the Pacific Highway? In Senate estimates yesterday, we heard the Department of Infrastructure and Transport's Mike Mrdak confirm that the Gillard government had deferred expenditure on the Pacific Highway. In last year's budget, it was announced that $1.025 billion would be spent by the Commonwealth in 2014-15. The department has now confirmed that has been cut to $625 million. Last year the government set aside $1.4 billion in 2015-16. That has now been cut almost in half to $770 million. After 2015-16, Labor's funding commitment to the highway slows to a trickle. As Mr Mrdak told Senate estimates yesterday, just $145 million from the Commonwealth will be spent on the highway in 2016-17 and this will drop to just $75 million in both 2017-18 and 2018-19.

This clearly shows that under Labor north coast residents are going to be waiting years and years and years before the duplication will be completed. The 2016 completion date is dead and buried. Labor is now telling north coast residents that if Julia Gillard is re-elected they will be waiting until way beyond 2020 before the highway will be completed. Labor has walked away from the 80-20 funding model with New South Wales and now insist on 50-50 funding, despite signing an 80-20 arrangement with the Queensland government for the upgrade of the Bruce Highway. That is despite the government agreeing to an 80-20 split for the Bolivia Hill project on the New England Highway. Why is it good enough for the Bruce
Highway in Queensland and for the New England Highway at Bolivia Hill to be on 80-20, yet for the Pacific Highway, for some unknown reason, the Labor government is demanding 50-50? North coast residents are sick of the needless delays. They just want the road fixed.

The coalition will restore the 80-20 funding model for the completion of the Pacific Highway and commit $5.6 billion towards the upgrade. Combining that with the New South Wales commitment of $1.5 billion, this will deliver the $7 billion required to complete the duplication of the road. On 14 September, voters will have a clear choice: a federal coalition with a rock-solid commitment to the Pacific Highway, or Labor's ongoing fudging of figures and endless deceit.

It is not just the Pacific Highway where there are serious questions about this budget. In relation to education funding, we have also seen Labor's sleight of hand. Once again, on budget night, we had the government hailing its funding for what is known as the Gonski reforms. The joint press release from the Prime Minister and the Minister for School Education said:

The Gillard Government has made a $9.8 billion commitment to increase school funding over six years, along with better indexation and reforms to lift student achievement, under the National Plan for School Improvement.

All very welcome, except for the fact that it is wrong. Once again, we have policy by press release. Gonski is the headline and $9.8 billion is the government's magical figure required to fund these reforms. But, when you look at the cold, hard reality of the budget papers, they tell a very different story. The truth is that education will actually be cut as a result of this budget. According to the budget papers, $2.8 billion of so-called Gonski reforms will be paid over the next four years, but the additional $2.8 billion over four years will be offset by $3.126 billion in cuts to school education and redirections of national partnerships funding over the same period. The government are discontinuing the national partnerships funding for low socioeconomic schools, ending reward payments to teachers, axing cash bonus payments for schools and cutting literacy and numeracy funding, all of which will save $2.1 billion. On top of the discontinued programs, there is a further $1 billion reduction in ongoing funding set aside for non-government schools when compared to last year's budget. When you compare last year's budget to this year's figures, the overall budget reveals that education will lose $325 million over four years. Labor is relying entirely on extra funding from the state governments to prop up its floundering school-funding model. Labor has also cut funding to universities, student income support, apprenticeships and training and tax deductions for self-education expenses. Southern Cross University, which has a substantial presence in my electorate, has now started offering voluntary redundancies as a result of the Gillard government cuts.

After six years of promises and declining student outcomes, Labor is creating more uncertainty within the education sector. That uncertainty was laid bare for all to see when the Minister for School Education, Early Childhood and Youth, the member for Kingsford Smith, was unable to explain, on a weekend political program, how much funding the states could expect in the next financial year. It is just another example of how the Gillard government has mismanaged the issue. To date, only one state has signed up, and the reforms are approaching the deadline the Prime Minister set, of 30 June. That is not the way to deliver national school
funding reform for the next generation of students, but we have a government that is addicted to spin rather than good policy.

The final area I would like to focus on is the issue of budget debt and deficit and economic management. I have already touched on how Labor cannot be trusted. We only have to look at the Pacific Highway and school funding to know that. But of course there has also been the Prime Minister's promise that there would be no carbon tax under the government she led. And then there was the promise that we were going to have a surplus. Having inherited a $20 billion surplus and $70 billion in the bank from the coalition, in just six years the government have now saddled the nation with a mountain of debt. According to the budget papers, we are set to breach our $300 billion debt ceiling.

Last year, the Treasurer announced that in 2012-13 the budget would return to surplus, albeit a small one of $1.5 billion. We all knew the government were fudging the figures. The shadow Treasurer, the member for North Sydney, spoke for all of us on this side of the House when he said that Labor would never deliver a surplus. But that did not stop the Prime Minister or the Treasurer. Between them, they promised a surplus on no less than 500 occasions. The Prime Minister guaranteed it. It was almost as if the PM and the Treasurer believed that, if they said it often enough, it would materialise. Meanwhile, the rest of us on this side of the chamber knew the truth. And it was so. Just before Christmas, the Treasurer broke his surplus promise. On the back of the deficits of $27 billion in 2008-09, $54 billion in 2009-10, $47.5 billion in 2010-11 and $43.4 billion in 2011-12, the Treasurer revealed that he will have a small deficit. Just as Pinocchio's nose got longer and longer every time he lied, the Treasurer's deficit got larger and larger every time he mentioned it, to the point that, on budget night, the Treasurer confirmed that the $1.5 billion surplus had not turned into a small deficit; it had now turned into a $19.4 billion deficit, a staggering $21 billion turnaround.

It is incredible that we have a government who continue to believe that they can deceive the Australian people with endless spin and can continue to peddle the same sorts of promises.

We are now told, 'Trust me: in just a few years time I'm going to deliver an $800 million surplus.' We have heard it all before. 'It was going to be a $1½ million surplus this year; now wait a few years and eventually we will get there.' I would hope in September that the coalition has the opportunity to form a government, to restore responsible financial management and to deny the current Treasurer the opportunity to deliver more and more deficits as far as the eye can see. He has form on deficits and he has form on financial mismanagement. The Australian people know they cannot trust this government and I would hope that on 14 September we are able to deliver, with the support of the Australian people, a coalition government to restore the strong economic management that this country so much needs.

Mr VAN MANEN (Forde) (10:50): In speaking on Appropriation Bill (No. 1) 2013-2014, Appropriation Bill (No. 2) 2013-2014 and Appropriation (Parliamentary Departments) Bill (No. 1) 2013-2014, I would like to remind us what the Leader of the Opposition said in his address in reply to the budget on 16 May:

We are a great country and a great people let down by a bad government.

I think that very succinctly sums up the situation. Almost every day I am reminded how disappointed people living in Forde are with the present government. Many small businesses in my electorate have been struggling under this government's policies. They tell me there is
absolutely no confidence in the business community. There are seniors on pensions in Forde who struggle to have three square meals a day, who cannot afford to leave the lights on at night and who struggle daily with the high cost of living. I have retirees who have planned their whole lives to support their own retirement, only now to be burdened by this government's new or increased taxes and punitive changes to legislation and superannuation. We have families dealing with cost-of-living pressures who have little or no savings left. Mum and dad both have to work to keep up with these costs and we are seeing an increase in the number of so-called middle-income families turning to local welfare groups for support.

Even young adults are starting to feel disappointed with this government because they are figuring out that Labor's plan for their futures will include an inheritance of debt and deficit. They are comparing their lives to those of their parents and are feeling envious, as many young people now are resigned to the fact that they may never be able to afford their own home. On a community level, we have a number of welfare organisations, clubs, support groups and charities that are also doing it tough because the majority of these organisations rely on volunteers. They have been wrapped up in the burden of red tape and regulation coming from this government.

Mr Mitchell interjecting—

Mr VAN MANEN: I always appreciate contributions from my learned colleague the member for McEwen! So many of us feel uncertain about where we are headed under this government. We all feeling disappointed because this government under Kevin Rudd initially promised so much but delivered so little that it cost him his job. The new Prime Minister said that they had lost their way. I would respectfully suggest that they are yet to find it. Much of this unnecessary pressure on households and businesses is coming from a government which cannot be trusted and a government which has a huge spending and forecasting problem.

It is worth considering that the revenue in 2013-14 is some $80 billion higher than the last year of the coalition government, but spending is some $120 billion higher. The last budget will potentially deliver total gross debt which will breach the $300 billion debt ceiling in forward estimates; Labor's fifth record deficit in five years, with at least two more deficits to come; with no credible plan back to surplus; more broken promises, such as scrapped tax cuts and family payments; more than $25 billion in higher taxes over the next four years; and, an extra $100 million spending on government advertising.

This is a budget that does nothing to help individuals, families and business owners with the rising cost-of-living pressures, economic uncertainty and poor services. To illustrate this, I would like to quote the chief executive of the Australian Chamber of Commerce and Industry, Peter Anderson, when he stated:

The federal budget does little to take cost pressure off the private sector, especially small business …

This is right around the country. In his statement he said that there were around two million small businesses employing some seven million people and yet the government continues to turn its back on this sector.

On his analysis of the budget, Mr Anderson found that there was:

- No company tax relief;
- Higher personal income tax (Medicare levy);
- No capital gains tax relief;

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FEDERATION CHAMBER
• No cost offset to fund the 1st July hike in the superannuation levy;
• No restoration of incentives for hiring new apprentices;
• No reduction in tax compliance and red-tape.

He also said:

Business is once again asked to bear the brunt of fiscal ill-discipline. A $200 million increased tax burden next year will add to business costs and erode Australia's productive capacity. These are measures that collectively make the country less competitive.

To quote Mr Anderson once again:

Budget deficits indicate that fiscal policy needs overhaul. This should begin with a "root-and-branch review" of government spending, a detailed plan to restore the budget to balance and reform to regulatory, tax and workplace policy so that the burden of adjustment does not fall so strongly on monetary policy.

The Institute of Public Accountants shares the same sentiments, saying:

Small businesses across Australia can expect further pain this year thanks to tonight's Federal Budget...

The IPA chief executive officer, Andrew Conway, states:

Instead of a reduction in the regulatory burden and provision of long sought after tax breaks to support the vital small business sector, we find ourselves with yet another Budget that will do nothing to promote the small business sector.

But there is hope. The coalition has a plan for small business that will ease this burden and cut red tape. We have a plan, and our plan is aimed to deliver a strong and prosperous economy, and a safe and secure future for Australia.

The old adage is that 'if you fail to plan, you plan to fail', and as we see here the Prime Minister and the Treasurer failed to set out a credible economic plan for the next 12 months, let alone for the longer term. So how can we feel secure about what comes after that? What about the following year, or the next decade? What happens then? We do not even know how the Treasurer plans to pay for the big-ticket announcements. It seems fitting here to quote Henry Ford:

You can't build a reputation on what you are going to do

Or as my late friend Brian Klemmer once said:

There is no fairer way to gauge something than by results; often harsh, always fair.

After six years of Labor we now have organisations like the Salvation Army coming forward with National Economic and Social Impact Survey statistics showing that the majority of respondents are unable to pay their bills on time and that most have little or no savings in case of an emergency.

We see this with local organisations in Forde, such as Lighthouse Care, Twin Rivers and CentroCARE, which tell me similar stories. They tell me that they are increasingly seeing middle-income families coming through their doors for assistance and support. The Australian Medical Association president, Dr Steve Hambleton, also came out slamming the government. He made the comment that the government were getting sick people to help fix the budget black hole after a decision to delay indexation of the medical benefits scheme from 1 November to 1 July 2014.
As I have said many times in this place—and I will say it again—this is a government that put on an act as if they are looking after the best interests of struggling Australians, but they are actually making life harder and more difficult for the most vulnerable people in our society, the people who have the least capacity to adjust their lifestyles because of the adverse changes this government has brought in over the past five or six years. People are literally parked on struggle street, staring down a dark, foggy road and wondering what detours and obstacles lie ahead.

I want the people of Forde to know that the coalition have a plan to ease this discontent. We will take the budget pressure off Australian households and we will seek to strengthen our economy. This will clear the fog from our paths and give Australians more options and more paths and more opportunities for prosperity. In order to do this though, we have to change the perception that governments have an endless supply of money to spend on whatever they like. After all it is not the government's money, it is taxpayers' money and their way of life will be compromised if that money is wasted. The nation's piggy bank has well and truly been raided by this government, and now the poor old piggy bank has this rather empty feeling inside, and it will have for a few years to come. There are no surpluses on the way for this government.

Even if they promised there would be one, how could we believe it anyway? After all we were promised there would be no carbon tax, but there is. Originally we were all told that the deficit would be a temporary thorn in the side, but it is still here causing more and more pain every day. I could stand here and list a whole raft of this government's broken promises. We have all heard them; we all know what they are. Australians all over this country have lost faith in this government. But there is an alternative. On 14 September Australians will have the opportunity to exercise their democratic right to restore hope, reward and opportunity to this great country by hopefully electing a coalition government.

An incoming coalition government will abolish the carbon tax and we will retain income tax cuts from the fortnightly pension benefit increases that were associated with the introduction of the carbon tax. This way households will be able to plan for their futures with confidence. Our commitments are fully funded and will be offset by the equivalent reductions in government spending because we will not be carrying on the reckless and wasteful spending habits of this Labor government. We will seek to keep interest rates low through paying bank debt, which, in interest alone, is costing us some $35 million per day. We will seek to create more accessible and more affordable and flexible child care for families. As I mentioned earlier, businesses will also benefit from our plan for the reduction in red tape and regulation. We believe that governments, like families and businesses, have to live within their means. In just under four months, Australians will finally be given the opportunity to make a choice. They will have the choice to elect a coalition government to get this great nation back on track.

Mr WINDSOR (New England) (11:02): I do apologise for the state of my voice. It may mean that I will not speak for the full time allocated. I am pleased to be able to speak to the appropriation bills, and there are a number of comments that I would like to make particularly in relation to the electorate of New England. There are a number of projects that are funded in the current budget that I am very proud of and the community should be very proud of as well. I particularly recognise the $80 million that is in the budget to go towards the reconstruction and realignment of Bolivia Hill on the New England Highway. As you would
recognise, Mr Deputy Speaker Scott, the New England Highway is a major thoroughfare that goes up into Queensland. Over the years governments of both persuasions have put money into rectifying some of the major problem areas—the Liverpool Range was one that was fixed some years ago now, the Moonbi Range was another, and there was a place called Devils Pinch—and I pay credit to the former member for New England, Stuart St Clair, and the Howard government, of which you were an eminent member, Mr Deputy Speaker, for being involved in that funding. The money for Devils Pinch was obtained during that period of time, and there is no doubt it has saved many lives.

The last remaining very dangerous section of the New England Highway in terms of traversing the hills is Bolivia Hill. Quite a number of deaths have occurred there. I am absolutely delighted that Minister Albanese took the time to come up with the then Mayor of Tenterfield, Toby Smith, to inspect that deathtrap, as he described it. It is very expensive to fix. This will now be done with the grant of $80 million. This has been in the pipeline for a long time. I think it occurs to most of us in parliament that, if the issue is a real one, eventually it does get taken care of. I particularly recognise Minister Albanese, his staff, the government generally and the Treasurer for being able to fund that project.

There are a number of other projects that various interest groups in the electorate would be very pleased about, including the Acacia Park industrial estate National Broadband Network fibre rollout. If the National Broadband Network is maintained—and I sincerely hope it is—a lot of country towns are going to face the issue of where you draw the boundary between the major centre that gets fibre and the exterior area that receives fixed wireless. I congratulate Minister Conroy and the government once again because the fixed wireless reception has been excellent. Parts of surrounding Tamworth and other communities are either getting fixed wireless or have fixed wireless. With the additional upload and download speeds that are coming with the newer technology for fixed wireless the response has been excellent from a lot of people who were essentially sceptical and fell into the political rhetoric that was going on at the time.

This is going to be an issue in a number of communities, irrespective of where they are in Australia, where there is an industrial area on the outskirts of a major community and the boundary determining the rollout of the fibre does not include the industrial area. That is something I think they have to have a very close look at. We need those industrial areas to expand and to take advantage of the National Broadband Network and make where you actually live in Australia irrelevant in terms of doing business and accessing global markets, global information sources et cetera. These industrial estates are a very important part of the productivity of those economies and should be included where possible in the fibre rollout rather than get the fixed wireless. Acacia Park in Armidale will in fact be catered for.

There was some funding in the budget for the Gunnedah Shire Band that has represented Australia. Mr Deputy Speaker Scott, knowing your background, I know you have been to these areas. Whilst representing Australia they spent some time in France with various French bands over on the battlefields. It was a very moving occasion for those young people from Gunnedah. The government has seen fit to give them some degree of assistance. They have had to pay most of their way, but the government has given a relatively small gesture of support, and I think that is appropriate.
The Inverell RSL museum have been here on a number of occasions lobbying. Inverell has an incredible history in terms of particularly the First World War but also other wars like the Boer War, the Second World War and obviously more modern-day theatres of war. Inverell was the source of the group called the Kurrajongs. An enormous percentage of people came out of the Inverell community. Inverell is the town where they have maintained a whole range of artefacts over many years, although in not very good sheltering conditions. This money will make a contribution towards what the Inverell RSL and the community are doing to establish an appropriate museum to recognise the various groups and the artefacts that have come out of that area and returned from various theatres of war. That restoration is very important. I thank Minister Snowdon for coming to the electorate and talking to the people about this project. The presentation took place just recently.

Inverell is the home of the descendants of the tree on the Lone Pine ridge. Recently, a plaque was made out of one of the descendant pine trees. It was carved to recognise those sons who had fallen at Lone Pine. One of the brothers of a fellow who was killed at Lone Pine sent his mother back a pine cone, and from that pine cone she grew three trees. Those trees obviously aged and are not with us anymore, but other trees have been grown and are descendants of that tree. From one of the trees a massive plaque was carved as a memorial, not only to those families but also to many others.

One of the things that I am very proud of, too, is that the Ashford Medical Centre is to receive some funding. Ashford is a small community and, as always, it is trying to do most of it on its own, as you would recognise in your country electorate, Mr Deputy Speaker. The little communities really get in there and have a go. The Ashford community have had difficulty over the years. They have doctors, specialists and allied health professionals coming to see them, but the accommodation has not been good. They have now been able to obtain some funding from both Inverell council and the government to go ahead and relocate the medical centre adjacent to the Sunhaven aged care facility, and this will make it unique in a sense. These people have been discussing this issue and wanting it for many, many years, and it is good to see that happening. The Liverpool Plains Shire Council received $400,000. They have a vision to provide water to three communities. This will not deliver the vision but it will deliver the feasibility study that will look very closely at it.

The New England Regional Art Museum has received money. New England has the Hinton and Coventry collections. They are probably worth $50 million. Air-conditioning for the art itself is very important, and funding will go towards the storage of those magnificent paintings. The Inverell Linking Together Centre has received some funding as well. This is an outstanding project for troubled youth in Inverell. It has got the runs on the board, and this funding will allow it to extend those runs. There is also a small grant for the Werris Creek Community Shed. This is not a men's shed, because there are ladies involved; but it is a good example of one. Governments have assisted in various men's sheds and there are various grants which they can apply for. There is no doubt that the men's shed concept saves lives. I have seen it. I talk to people in various communities about how they have been able to re-establish contact after the death of their wife or a family member and the depression has set in. It is extraordinary to see the camaraderie that occurs, particularly in country towns; but I guess it does in suburbs and some of the major centres as well. A number of those things will see the light of day because of money in the budget.
My time is nearly running out. There has been some criticism of the budget, particularly in relation to the forecasting of the Treasury and the Treasurer. A rare event has occurred, and I would urge people who might be interested in the technicalities of this to google what Ross Gittins has said on a number of occasions in terms of the relationship between the nominal GDP and real GDP and how that relates to the terms of trade and exchange rate. It is well worth looking at, as it particularly applies to the capacity of the forecasters to forecast the destination to surplus or deficit.

The rare event is that this is the fourth occasion in our economic history where the nominal GDP is less than the real GDP. I will not get into all the definitional stuff there, but it is the fourth occasion. The first occasion was the 1961 Menzies credit crunch, which I think some people are old enough to remember. I was only 11, but it hurt my pocket money, I know that; I remember it bitterly! The second time was the Asian financial collapse in the nineties; the third time was the global financial crisis a few years ago now, when the stimulus arrangements were put in place; and, as I said, the fourth time is now. I know we will all play our political games with this, and I am not defending the Treasurer, because I do not think it was correct to say, 'We will achieve a surplus at all costs.' Even the business community is saying this is not the time to have a surplus anyway. The politics of 'he said, they said' will be played out. But that is not my reason for raising this particular issue.

On this occasion, we are in uncharted waters, because there have been three financial quarters where nominal GDP has been less than real GDP, and that is a response to changes in the terms of trade. Normally, when that happens, you get a drop-off in the currency, a correction in the currency. That was not happening. In fact, it has just started to happen in the few weeks since the budget. But, in the lead-up to the budget, it was not happening. The dollar was staying high—and there were a whole range of external influences there. Nonetheless, it was having an impact on the capacity to achieve a surplus. There are those who have said that Treasury just cannot forecast anymore, but no-one would forecast three successive quarters of nominal GDP. No-one would put that in the forecast; if they did, they would be laughed at. But there is no doubt—and, as I said, I am not defending the Treasurer—that it has had an impact, particularly in the last six months, in terms of the statistics in the budgetary process.

What we are seeing now is the currency starting to drift back. It is still not responding to the old influences, as it did under the Asian financial crisis or even the credit crunch; it is responding more to the American economy improving rather than other factors. But I think people have to recognise that Australia is in a global economy now, and we need the Chinese, we need the Indians, we need others more than they need us, and there are influences in terms of the flow of currency and capital that have significant impacts on our economy and will into the future. Thank you.

Mr MORRISON (Cook) (11:18): Another budget has come and gone, and once again what we saw was another exercise in what I can only describe as pure fiscal fantasy. Each time the Treasurer gets to the dispatch box and presents his budget, it is simply just another fairytale. He should have got to his feet on that day, a week or so ago, and begun his speech with 'once upon a time', because that has been the nature of every single one of his budgets. They have been works of fiction in their projections, particularly of revenue, and the bullish forecasts they have made.
The great difficulty with the Treasurer's approach is that he is always spending money that does not come. The great difficulty that will be faced by a coalition government, if we are elected later this year, is that we cannot get back the money that this government has already spent. They have spent thin air on so many occasions, and the budget has fallen into a state of disrepair. It will be an enormous challenge and task to fix that mess. Having promised surplus after surplus, year after year, the government has now delivered deficit after deficit. If we look into a future under this government, all that we can see are deficits, all that we can see is more expenditure from a government that thinks it is the answer to every single problem. The answer to our country's problems is not more Labor; it is not more government. It is more faith in the businesspeople of this country to generate wealth, to grow our economy, to get government out of their faces and out of their way to allow them to build the wealth in this country that they have done so successfully on so many occasions previously.

One of the most disturbing things I have witnessed in this place was the statement by the previous prime minister, Prime Minister Rudd, who said, 'We need to put government back at the centre of the economy.' That was a chilling statement. What we see in these budgets that this government has brought down is that that philosophy lived. The Australian taxpayers are paying for it not just today but through a generation, as taxpayers had to do under the Whitlam government when it was finally dispensed with by the Australian people. We are going into that same phase again.

The good news is that coalition governments, whether they are elected, are known for many things but one thing in particular; they are how to clean up a Labor mess. They know how to do that because we have done it as a coalition on so many occasions—not just at a federal level but also at a state level. In the Deputy Speaker's own state of Queensland, he knows that presently. I know it in my state of New South Wales. We know it in Western Australia, we know it in Victoria and we know it in the Northern Territory. We are looking forward to that opportunity in South Australia and we are looking forward to that opportunity in Tasmania because there are messes to clean up. But the father or mother of all messes is the fiscal disrepair that this government has left this country in.

At the debt continues to rise, there is a big job to do and a big mess to clean up if we are elected later this year. My support will be strongly for an incoming Treasurer in the member for North Sydney, if elected. Certainly, the shadow Treasurer will have big shoes to fill from a coalition perspective, in the form of the greatest Treasurer this country has ever known in Peter Costello. Similarly, the shadow ministers on right across the front bench on our side will have big shoes to fill, as do I in my own portfolio responsibilities, if I have that opportunity, in following the father of the House and the minister for Immigration in the Howard government, the member for Berowra. That is our challenge. It is a challenge and a task that we ask the Australian people to give us the responsibility to do; to go and fix Labor's mess. That opportunity will present on 14 September.

More specifically in the area of my portfolio responsibilities, once again the fantasy of what is presented in these budget papers, in the portfolio estimates for the Department of Immigration and Citizenship, is absolutely breathtaking. These estimates show that in 2013-14 the costs particularly in relation to the management of illegal boat arrivals to Australia will rise to $3 billion. That includes the increased expenditure which has been allocated to expand
the refugee humanitarian program—all of that increase will be taken up by those who have come on illegal boats. It was $85 million per year when the coalition government left office.

There is a reason for this rise. We all know the tragic record of this government on our borders. But what is driving those costs is the unprecedented rate of arrivals. Those arrivals have gone from an average of two per month to this financial year’s average of over 2,000 per month. In these last two months we have been running at over 3,000 per month. They are astonishing figures. They have astonished me, because this government always manages to beat my worst expectations of it when it comes to this issue. When I think it can only do so badly it always exceeds those expectations and does even worse. That has been the story. Twenty-three thousand people or thereabouts are in the system currently; 23,000 who have arrived illegally on boats are in the system, with some in detention or in community detention on bridging visas, and 19,000 have not even had their processing commenced yet. When we left office in November 2007 there were four people in the system—not 400, not 4,000, not 40,000, there were four. That is what is driving these costs.

In this budget, the forecast is, after $3 billion expenditure in 2013-14 and the government continuing with their failed policies, a 40 per cent cut of $1.2 billion for the following year. This figure is going to miraculously fall by $1.2 billion. In the out years, there is a cut of 50 per cent. What is that based on? That is based on a forecast for next year that the level of arrivals, which at the current rate of over 2,000 per month, is going to fall to 1,100 per month. What is going to produce that? Who knows; the government cannot articulate that. Their policies are the same, their failed resolve is the same, their incompetence is the same, but somehow these arrivals are going to stop. Maybe the government are assuming that the people smugglers have grown tired of making so much money and they will self-impose early retirement. But that is clearly not going to happen. They will make as much money out of human misery for as long as they can and as long as this government allows them to, which is, frankly, as long as this government serves. If this government is re-elected then this will continue and the cost will continue in all its forms.

The government are projecting that the number of arrivals in 2013-14 will be 13,200. It is anticipated this year the number will be 25,000. At the end of the projection of the forward estimates, they are assuming the number, based on a 10-year rolling average which includes five years of the Howard government, will be 2,325. This is a 90 per cent decline, and that is what they are budgeting for. It is not surprising that the head of the Department of Finance indicated in estimates this week that if arrivals continue at the current rate, which is over 3,000, or even at an average rate for this year of over 2,000 per month, then they will be revising these estimates for PEFO. That would give a truer reflection of the real cost of another three years of Labor and their mismanagement of our borders.

The blowouts over time are staggering. Since 2009-10, the total amount of blowout, the capital and recurrent expenditure over the full forward estimates period, has been $10.3 billion. For the assistance of those who question that figure, I will go through what it comprises. In additional estimates of 2009-10, looking at the budget handed down for 2009-10, the blowout was $207,535,000. The following budget estimates, for the 2010-11 budget, there was a further blowout of $793.5 million. At the subsequent additional estimates following the 2010-11 budget, there was a further $472.2 million blowout. At the following budget for 2011-12, there was a further blowout over the forward estimates of $1.528 billion.
Then in the additional estimates that followed that, in 2011-12, there was a further $866.2 million blowout. In the budget that followed that, for 2012-13, there was an $840 million blowout. We then come to the additional estimates for this year, including the supplementary estimates in November, where there was a blowout of $1.144 billion.

You would think that was enough. The cumulative total of those blowouts at that time was $5.8 billion. But in this budget they again exceeded all of my worst expectations of them. There is a blowout of $4.1 billion in this budget alone, since the additional estimates earlier this year. When you add to that the additional funding in the budget provided for the increasing refugee and humanitarian program, which will only be taken up by those who come illegally on boats, that is another $358 million, which takes us to $10.3 billion. And as at the end of this financial year, $5.2 billion of that well already have been done—they will have spent the money—and the remaining blow-out will occur over the forward estimates if Labor are elected.

That is an appalling record. Had we stood in this place three years ago and said that we were going to get to 3,000-plus people turning up each month, that there would be 23,000 people in the system and by the next election probably around 30,000 people, those opposite would have accused the coalition of being hysterical. They would have said that that is just inflating what could happen. They would have said we were taking the low road, I suspect, but that is what has happened. Those are the facts. That is what has occurred by this government being re-elected three years ago. We said, 'If you re-elect this mob, it will get worse and it will cost more.' That is exactly what has happened. That cost has been reflected not just on the balance sheet of this country but in human lives.

I do not think these figures represent what it will cost. We are already seeing chaos emerging with the bridging visa program, which is dumping people in the community, out of sight, out of mind, with no care and no responsibility. We are seeing that played out in our community and the government is looking the other way. Even state police forces asking for support and assistance through the provision of information about where people are being released into the community are being denied that information by this government. State police forces are denied access to critical information which would help them do their job, to protect the community and to protect those being put into the community because that is also their job.

People do not have work rights in the community and the coalition would not change that but we would give people something to do. We would put in place a mutual obligation program which would put people on work for the dole. We would appeal to people to work, not to pay people smugglers but effectively to earn the welfare they are being provided by Australian taxpayers and to allow them to work with community organisations and with local councils all around the country. This would give them something constructive to do, which will achieve two things. It will be good for their peace of mind and it will be good for their mental health and well-being, rather than just sitting around all day with nothing to do. While their processing remains stalled and frozen, every single day they will be out in the community doing positive things. We will also know where they are and what they were doing, and we will receive a daily update on their status. That is well thought through policy, not the community dumping policy of this government, which frankly they should be
ashamed of as the burden is not just on taxpayers but on those supporting welfare organisations out of their own pockets. This budget is a fantasy and Australia cannot afford three more years of it.

Mr NEVILLE (Hinkler—The Nationals Deputy Whip) (11:33): I rise to speak to Appropriation Bill (No. 1) 2013-2014, Appropriation Bill (No. 2) 2013-2014 and Appropriation (Parliamentary Departments) Bill (No. 1) 2013-2014. Having been here 20 years you would think I would have seen it all and that it cannot get much worse, that surely the government will pull its socks up coming into an election year. You hope that this will be a good budget, but it just does not happen. Not only does it not happen but also it is an appalling budget. The words of the Treasurer last year predicting four years of surpluses are still ringing in our ears. At the time he said the 2011-12 budget was:

… a powerful endorsement of the strength of our economy, resilience of our people, and success of our policies.

The Treasurer was going to deliver:

… this coming year, on time, as promised …

In the light of the subsequent result, what a cruel betrayal that was. What a cruel betrayal of the Australian public.

My prediction was there would be no surplus that year or likely in the subsequent three years, and that has virtually come to pass. Even the government itself has conceded—or certainly not in the subsequent two years, so you can pretty much say that if this government continues it will not happen, and even a new government is going to have the devil’s own job to get it back into surplus in that time.

But worse than that, we know from this budget speech that it is the fifth record budget in five years and sets a new Labor benchmark. That benchmark is 12 deficits for their last 12 budgets—right through this government and right back into the Hawke-Keating governments. Twelve in a row. I remember last year the Treasurer was predicting sweetness and light—they are my words—as he took us into the Elysian Fields of surpluses. Some fields. It is more like a parched, depressed desert. And what we are seeing now is the downside of the fudges that went on in the previous budget. Can you remember roads funding last year? We were going to have in its previous year $6.2 billion of allocations, dropping down to $2.6 billion this year—6.2 down to 2.6. Now that, as we know, was a fiddle in the hope of this elusive surplus that they were hoping to get. It was simply playing games with the figures. But how difficult that must be for the RTAs and the Main Roads departments across Australia to do any planning when they have those sorts of wild variations in funding estimates.

If you look at the coal industry, going back to last year, it went from 220 million down to 10 million and then up to 250 million. Again, that is a fiddle and makes good government and good governance totally unpredictable. Then we have seen the disappearance of the mining tax. It was predicted in 2010 to be $22.5 billion, and now it has come down to $3.3 billion over its first four years—from a predicted 22.5 billion down to 3.3 billion. That is a hell of a drop. The carbon tax; well we all know the carbon tax is a disaster. What that has done to families is just appalling. People come into my office crying that they cannot pay their electricity bills. Clubs going to the wall because they cannot afford the electricity to run their clubs properly.
One of the worst in my area is irrigation. When we think of irrigation, we generally think of water. I have had long association with irrigation schemes, right back to Black Jack McEwen. I actually stood for the seat of Wide Bay back in 1969. I was very young and probably foolish, but I did have a very good rapport with Black Jack McEwen. I did get him to come to Bundaberg and promise what was then called the Burnett-Kolan scheme and is now called the Bundaberg irrigation scheme. He honoured his promise, despite the fact I did not win the seat at the time. He honoured his promise and what has resulted from that has been the whole Bundaberg-Childers-Gin Gin area has been totally irrigated. It is not the biggest scheme in Australia, but it is certainly the most intensive. There are two dams in that scheme, the Moondarra dam and the Paradise dam, and a weir at Walla.

It is a very comprehensive scheme. It has channels, pipes and all sorts of methods of delivery. You would say: 'God, what a lucky district. You've got over 1,000 small crop and cane farms all connected to this marvellous scheme.' But the ingredient for the delivery of this water is electricity, and the farmers tell me now that they are coming to the point where, because of the new tariffs and the carbon tax on top of the new tariffs, they cannot afford to irrigate. They cannot afford to turn on the pumps that deliver the water. That is an appalling circumstance, and it comes from this carbon tax.

This carbon tax itself is flawed. Far from getting to the $38 a tonne that the government talked about in the early part of their deliberations, they have now forecast for 2015-16 that it will drop to $12 a tonne—and that will cost revenue $5 billion, by the way. But then, if you look at the European market's forward price, it is only $6 a tonne—not $12 but $6. In other words, the government have deliberately built in something that is set for failure.

When you look across other fields—and we had the shadow minister for immigration here as the previous speaker—at the accumulated blow-outs caused by the boat people, $5.8 billion was the figure he quoted, with another $4.1 billion predicted in the forward estimates. That is $10 billion. It makes you wonder how much better off this country would be if we could have maintained the level at which it was left by the Howard government, not only in terms of orderly migration but in terms of the amount of money available for other projects.

Ten billion dollars is a lot of money on top of the net debt of the Commonwealth of about $190 million and the interest that is payable on that. So take the interest on the $190 million, plus things like the $10 billion we have blown or will have blown on this illegal immigration. You can see that things like Gonski and the NDIS would have been easily encompassed in the capacity of the government and subsequent governments if it had not been so profligate with some of these schemes, so profligate with spending. The government is earning $80 billion more than it did in the Howard years, but it is spending $120 billion. That is just a formula for going approximately $40 billion behind each year. This has to stop.

I was in the chamber the other night for the budget. I always welcome the budget, whether it is from our side of politics or from the other side. I am not a political bigot. I think we all go in with a sense of anticipation, perhaps even elation. But this one was just the most depressing thing I have ever seen. On budget nights, over the 20 years I have been here, the government has its supporters in; you have dinners through this building, lectures and guest speakers; and even the opposition of the day turns on dinners and things to listen to the budget. And then you come into the House and there is a buzz in there. There is an excitement that the Treasurer is going to bring down his budget.
There was no excitement. It was as flat as a pancake. I looked around the galleries. They were 40 per cent empty. The cheer squad from the unions was not there—or, if it was there, it was surprisingly quiet. I looked across at my colleagues in the government and I thought that there was not a happy face there. And I also thought, 'Gee, what an appalling thing that the budget has come to this.' It is as if the government had sucked the enthusiasm out of its backbench and left it there to try and defend this almost indefensible budget. The one thing we used to do in the Howard years was to fiercely defend our budgets. But there was no fierce defence from the government backbench this time. It is as if they have almost thrown in the towel on the budget. I found that very depressing.

In the remaining time I want to say a few words about the floods, because they had a huge impact on my area. When we have a flood, and I am not being unduly cynical, people rush to your electorate from both sides of politics—everyone from the Governor-General down comes—and we thump our breasts and say, 'This must never happen again and we'll be out there to help you.' At the time of the flood itself, the agencies are simply superb—the people who cook the barbecues, who arrange the accommodation in the civic centre or the Agro-Trend Grounds where displaced people are given temporary accommodation. All that stuff works like a clock—it is resilient and it is good. But when the emergency workers vacate the field and the army goes back home, you get down to the hard yacker of cleaning up the houses that could not be cleaned immediately after the flood—getting the plaster board off the interior walls, getting people to focus on their homes again.

This time the help was not there, because, as you know, Bundaberg was flooded twice in two years. It was flooded around Christmas-New Year 2010-11 and then again on Australia Day eve 2013—barely two years apart. The second time it is so much harder for people to pick up their bundle. I am noticing and I am getting reports—I have not been able to delve into all of them and so I am being a little bit careful—that bodies like QRAA, the Queensland agency which administers money from the Commonwealth, have to be more generous. People cannot be knocked twice in two years and be subjected to the same rules about loans and so on. I think there has to be an element of trust and risk if we want to get farmers and businesses back on their feet. I do not think we can run this as a pure banking operation. There has to be an element of compassion in it.

Mr SCHULTZ (Hume) (11:48): I rise in this Appropriation Bill debate once again to make a contribution to the parliament in this Federation Chamber. I refer to a speech in February 2013 in this chamber, where I described the wind turbine industry as the biggest government sponsored fraud in the history of this country. Fraud is just the tip of the iceberg: the modus operandi of wind turbines is also centred around intimidation, manipulation of fact, character assassination, lies and cover up. This multi-headed industrial Hydra is aided and abetted in its plundering of the public purse by incompetent governments, friendly pro-wind bureaucrats and a variety of individual parasites living off the taxpayer pot-of-gold renewable-energy-certificate process. I might add that the Clean Energy Regulator's office agrees that if any company participating in the REC scheme intentionally offers false or misleading information to the regulator that this should be recognised as having defrauded the Commonwealth. Yet, because of the lack of due diligence by the Clean Energy Regulator itself, it has been complicit in distributing RECs to the value of $80.6 million to the non-compliant Waubra wind farm in Victoria, in contravention of subsections 30E(3) and (4) of
the Commonwealth Renewable Energy (Electricity) Act 2000, which it is required to abide by.

It does not stop there. Public safety is being compromised at a state and federal government level by the Civil Aviation Safety Authority and the New South Wales Rural Fire Service, which to date have ignored the warning signs of serious potential accidents caused by wind turbines during bushfires and normal aerial agricultural activities on farms. This refusal to act on serious safety issues raised by agricultural aircraft pilots is putting the lives of rural firefighters and aerial agricultural pilots at serious risk.

I now refer to an email to Premier O'Farrell, dated Tuesday, 30 April 2013, from Mr Jim Hutson of Crookwell, who has 55 years of aviation experience. The email refers to problems associated with the Gullen industrial wind turbine complex. It says:

I now call on 55 years of Aviation experience and I tell you that my considered opinion, if you allow the building and operation of those turbines, then this message along with my previous correspondence will be an exhibit at a coronial inquest.

CASA's inability to come to terms with the safety aspects of wind turbines, not for the want of trying. Pilots are not warned of the danger and I believe no one has ever been so complicit as to install them so close to an aerodrome. The wind direction on the day, with the turbulence and velocity deficit blowing across the landing approach and the take-off path.

The first thing a pilot will experience will be a sudden wing drop due to the rotating nature of the plume followed by an instant decrease in airspeed as he enters the plume resulting in an instant stall spin at minimum altitude.

The above extract speaks for itself.

Let me now acquaint the House with a number of comments from emails in my possession, which I will read and seek to table at the finish of this contribution. This disturbing refusal at a senior level of government and departmental level to even acknowledge the warnings from well-credentialed organisations and individuals is a damning indictment of the lack of due care for public safety. A Civil Aviation Safety Authority, or CASA, report submitted by experienced agricultural pilot Ted McIntosh reads as follows:

Date: 18-03-2013
Local time: 0730
State: NSW
Location: 9kms WNW of Gunning Wind Farm, Gunning NSW. Damage to aircraft: nil Most serious injury: nil

Summary:

Whilst on descent to my operating airstrip near Biala NSW, I suddenly experienced severe turbulence at about 500-600ft AGL. The wind at this time had been approx. 5-8 knots from the SE. After landing I ascertained that there was only a slight breeze at ground level. I suspected that the turbulence was caused by the wind turbines at the Gunning Wind Farm but was amazed that the effect could be felt 9kms away.

After the next take-off I confirmed that the turbulence was indeed caused by the turbines. There are many fixed wing & helicopter aircraft which operate at or below 500 ft AGL legitimately from hundreds of airfields around Australia.

CASA & the Dept. of Infrastructure & Transport have released a study, the National Airports Safeguarding Framework Guidelines D (Wind Turbines) to protect major airports, but it should be
apparent that the greater threat to air safety from wind turbine turbulence lies around country airports, both public & private, which threat CASA & the Dept of Infrastructure & Transport have glossed over or ignored.

Could the ATSB please investigate this report & the future ramifications of authorities ignoring it.

Let me now read the reply:

... we have no jurisdiction over strictures of this nature. The only advice I can offer is that as pilot in command you need to take any environmental conditions, including mechanical turbulence, into account when planning your flights. As the wind turbine may be causing turbulence you will need to plan your flight path carefully taking into account the turbulence that may be experienced downwind of these turbines.

CASA do not care about aerial agricultural safety, nor understand that crops need to be attended to where they lie and that turbines will render vast areas of the countryside as commercially unviable.

I now refer to the emails that I mentioned before. I will commence by reading from an email which was forwarded to the General Manager, Aviation Environment, Department of Infrastructure and Transport in Canberra. Mr Phil Hurst, the CEO of the Aerial Agriculture Association of Australia, wrote:

Hi Scott

Further to our previous discussions regarding windfarms and the likelihood of turbulence from them that may affect the safe operations of aerial application aircraft, I write to formally request that the Commonwealth commission or otherwise facilitate further research into the issue and the likely safety impact of wind turbines on legitimate low-level aircraft operations.

My renewed concern has been prompted by anecdotal evidence from pilots that they have experienced moderate to severe turbulence significant distances downwind from turbines (e.g. several kilometres). Obviously, if there are safety concerns from pilots due to their own experiences, it would make sense to at least conduct some research to see if these anecdotal reports are indicative of a more widespread threat to aviation safety. In addition, these experiences raise concerns as to lack of appropriate guidance for pilots in regards to advisory buffer distances that might be applied to operations around wind farms.

I also understand at least one windfarm developer is now selectively quoting from the meeting that you chaired regarding wind farm safety issues to try and claim that AAAA had no safety issues with wind turbines. I think you would certainly be aware that AAAA has consistently stated the safety case for better regulation of wind farm development as they pertain to aviation safety because of the clear safety impacts more hazards in aerial application treatment areas will create.

I note that the NASAG Guidelines (Guideline D.43) refer to the issue of turbulence from turbines and the lack of certainty regarding the size of the problem.

Of particular concern to AAAA is the potential impact longer distance turbulence from wind farms may have on existing and future agricultural / firefighting airstrips as well as operations that may require buffers to avoid turbulence. This is potentially a significant safety, operational and economic issue that warrants further investigation, independent research and perhaps monitoring.

Also of concern is the difficult situation this lack of research creates for existing land users and aviation companies in considering their responses to wind farm development proposals that could potentially have significant impacts on their businesses.

I would be happy to meet to discuss further our concerns, but have included links to a number of papers and websites as a starting point for further research and preferably real world monitoring to inform the development of an improved safety policy dealing with wind turbine turbulence and low-
level aviation safety. I have included a CASA safety feature article on wake turbulence which I think is a legitimate concern for windfarms given the turbine blades act like aerofoils (which they are) and consequently will have tip vortices and significant displacement that could be considered commensurate with a heavy jet impact—which require specific safety responses from pilots and others.

There has been a response to that email, but time does not allow me to read it. However, I will table it. In fact, it is basically a fob off by the General Manager, Aviation Environment, Department of Infrastructure and Transport. It is a serious indication of the way in which people in CASA and other government agencies are ignoring the potential for pilots, ground crews and rural firefighters to be placed in serious danger. I will read one small extract from the information sent to me—and, incidentally, I have permission to table this:

I have similar concerns about wind monitoring towers at Adjungbilly and Gundagai—they are nearly impossible to see—it’s just a matter of time before some agricultural aircraft hits one—there have been fatalities in the USA.

It is widely accepted that aerial firefighting is not available in the immediate vicinity of turbine clusters, therefore placing at risk many rural residents and townships, not to mention the lives of volunteer firefighters. Whilst New South Wales turbine developers enjoy exemptions from compliance with existing EPA legislation, including exemption from bushfire-prone-zone mitigation strategies and buffer zones, in the interests of public safety all exemptions should be removed and an immediate moratorium enacted until appropriate bushfire studies are commissioned and completed. Where is the New South Wales minister responsible for police and emergency services on this issue?

When I commenced this contribution to the debate today, I referred to the multi-headed Hydra and its sympathisers living off the taxpayers’ pot of gold. I note with some interest that the Clean Energy Finance Corporation has confirmed that it is in active discussion regarding 50 projects, with a further 119 projects on the table. No names have yet been mentioned, but it does not take much imagination to work out who they might include. The great fear is that the CEFC will be used by Labor as a giant slush fund to mete out money on favourable terms to both its and the Greens’ fellow travellers. None of this money should be deployed this side of the election. Pacific Hydro, which is wholly owned by the IFM Australian Infrastructure Fund, which is in turn wholly owned by Industry Super Holdings, under the strong influence of the unions. In the interests of transparency, it is incumbent on the CEFC and the government to confirm at the earliest possible opportunity whether Pacific Hydro is in the running to benefit from substantial concessional loans from the $10 billion CEFC, which is to be funded by future generations of Australians with borrowed money.

I make the final point that we in this country are going through some very, very difficult times. We have created, through bad governance, a very significant pressure on the ability of future generations of Australians, let alone the older generation now, to cope with the day-to-day expenses that they are experiencing. I cannot for the life of me understand why any government or, indeed, any opposition could not yet have grasped the very, very serious issues centred around the wind turbine industry, what it is doing, unprofessionally, and, more importantly, how is wasting valuable taxpayer resources—in this case, about $52 billion under the renewable energy target process.

Earlier, I mentioned the intimidation going on. I can assure you, Madam Deputy Speaker Vamvakinou, that different groups of people have tried to intimidate me. They got the usual
response from me, and they have moved back. But I do not think that sort of behaviour is conducive to what we are trying to do in the environment today. I seek leave to table the document. *(Time expired)*

Leave granted.

Ms O'DWYER (Higgins) (12:03): I rise to speak on the Appropriation Bill (No. 1) 2013-2014, Appropriation Bill (No. 2) 2013-2014 and Appropriation (Parliamentary Departments) Bill (No. 1) 2013-2014. Unfortunately, my speech to this chamber is quite similar to the comments I have made about previous appropriation bills—that is, this year, just as in years past, the government's rhetoric has not been matched by the reality. We heard a promise from the Treasurer last year that he would deliver surpluses—that this budget would be a $1.5 billion surplus. He made the grand statement that the deficit years were behind us and the surplus years were ahead. How wrong could he be. He again delivered yet another deficit. This deficit was a deficit of upwards of $19 billion—almost $20 billion; hardly the $1.5 billion surplus that was promised.

What we also discovered in the budget papers was that the gross debt ceiling that the Treasurer has raised throughout his time from $75 billion to $200 billion to $250 billion to now $300 billion will in fact exceed the gross debt ceiling over the current forward estimates period. Why is this so? It is because this current government has not been able to manage the budget—has not been able to, as Wayne Swan as Treasurer puts it so well himself, 'get the big economic calls right'. And the implications are very severe for the Australian people as a result.

Let us not forget where we came from. We came from a very different period before this government took over in 2007. We had paid off $96 billion of Labor's debt. We had created a Future Fund, with more than $60 billion of assets. Surplus after surplus—record surplus after surplus—was delivered, with a $20 billion surplus in the bank. We have now gone to a position where there are deficits that add up to more than $192 billion as a result of this Treasurer, and we have a gross debt ceiling approaching, at its peak, more than $370 billion.

Why are the debts and deficits so concerning? This government is borrowing to pay for its fiscal incompetence, and that has a direct cost for every Australian taxpayer. They are paying more. They are actually having to now pay an interest bill based on the government's borrowing. And they are paying more than $35 million a day to pay for the $8 billion worth of interest payments that are accumulating each and every year.

But why is this important? It is important because it means that we cannot focus on the things that we should be focused on as a country: paying for those services and the vital infrastructure that we require.

Many of you would know that in this place I have spoken a lot about the need to get rid of railway crossings in Victoria. We have more than 172 railway crossings in Victoria, compared to only eight in Sydney. This has a significant impact on our ability to get things done, in terms of the time that people spend in cars waiting at these railway crossings whether on their way to work or on their way home from work. This is time that could be better spent doing something else. It is, in fact, a productivity issue. Despite the repeated requests from the Victorian government to make provision for railway crossings in their Infrastructure Australia
bid, not one new dollar of funding has been provided to Victoria to abolish these railway crossings.

I myself speak from some experience having followed this question very closely, because I have, in my electorate of Higgins, some of the worst examples of railway crossings in the state. The Murrumbeena Road-Neerim Road Murrumbeena railway crossing is constantly rated as the worst level crossing in the state according to the RACV Redspot Survey. Not one federal dollar has been allocated for its improvement. I am happy to say, though, that the state government, despite the lack of support from the federal government in this area, has made significant commitments to abolish more than five railway crossings in the state, which stands in stark contrast to Labor's record when it was in government at a state level; during its 11 years in government, it abolished only two. I am pleased to see that the coalition state government is abolishing five within its first term of government. It is a government of action, not of talk.

Another issue that concerns me in the current budget relates to the cost of living. We have seen repeated claims from this government that they are going to decrease the cost of living for every Australian. But since 2007 we all know that the cost of electricity has increased by 93.8 per cent and other important costs have gone up, such as gas by more than 61.8 per cent and medical and health services by more than 40.9 per cent. This has a direct impact on the family budget. We all know that one of the factors in increasing these costs is the carbon tax, which the coalition has promised to abolish. This will be our first priority, our first order of business.

It is not just in these areas that we are seeing increased costs. It is harder for families now to access affordable and flexible child care. It is harder for a number of reasons. The first is that the government has increased red tape and regulation on childcare centres. In doing so it has increased the cost of running and providing childcare services. Childcare costs have increased by more than 22 per cent in a matter of only two years. In addition to that, in this current budget we have seen the government make it even harder for families. The childcare rebate has been frozen. No indexation will be paid. It will cost every family with children who wish to access child care hundreds of dollars a year. So, in addition to raising the cost of child care, they have frozen the childcare rebate, putting more pressure on families in our communities.

Another issue I wish to raise in relation to the appropriation bills is education funding. The government thinks it is being very clever promising to deliver the Gonski reforms. The Gonski recommendations were quite different from what we see in the budget. Gonski recommended that there be more than $6.5 billion of new funding provided for schools each and every year over the forward estimates period, which is $26 billion. What the government has promised though over the forward estimates period and provided for in the budget papers is $2.8 billion—a very significant reduction. When you actually look at what the government has done with the figures and look at the tables and the charts and examine them line by line, you realise that the situation is even worse than simply not delivering on their promise to deliver Gonski. It has actually cut schools funding by more than $325 million. It has done this by reallocating existing funding and changing funding arrangements. The cut over the next four years is $325 million.
So far from an education revolution, it has been a con, a cruel hoax on so many Australians who expected so much given what the government had said. We want to see better educational outcomes for all Australian students. We want to make sure that the money is allocated efficiently and effectively. Cutting education funding in the way that this government has done will hurt our ability to ensure that our students receive the best education—the education that they deserve.

They have not just cut schools funding; they have also cut funding to our higher educational institutions—$2.3 billion to our universities and support for students at universities. This comes off the back of their quite extraordinary cuts to the medical health and research sector as well. We all know that Australia punches above its weight when it comes to medical health and research, but we should not jeopardise that in any way. That is why the coalition have stated very emphatically that we will quarantine funding for medical health and research. We certainly will not cut it, and we will not do the sorts of tricky things that we have seen this current government do. We have seen them, in trying to make their figures add up in this budget, play around with NHMRC funding arrangements and payments and ARC funding arrangements and payments, making a change to the way that they pay it in arrears rather than in advance so that there is a significant cash flow problem for anybody who is receiving those payments.

The other issue that I wish to raise in the time available to me is that the government have most certainly failed in their commitment to provide foreign aid funding as promised. The promise they make every election is that they will increase foreign aid funding, and in every budget we see them deferring out each and every year that increased funding. When we examine the budget figures closely, it is very clear that the government are spending a substantial portion of our foreign aid budget on trying to fix a black hole—the budget blow-out for border protection. Australia is actually the third largest recipient of Australia's foreign aid, because about $375 million of the foreign aid budget is being spent on funding the onshore processing of asylum seekers. This is clearly not something that the government have made much mention of for fairly obvious reasons.

In the final time remaining to me, I would like to point out what the government has had to do in order to try and plug their significant black hole. We saw an FOI released only this week from the Reserve Bank and from the Treasury. The Treasurer, against the advice of the Reserve Bank governor—the very emphatic advice of the Reserve Bank governor—has raided the Reserve Bank Reserve Fund of more than half a billion dollars to try and plug the black hole that the Treasurer has created in this budget, creating his own budget emergency. The RBA's capital fund is now well below the acceptable level.

So, in a nutshell, this government has made the wrong calls in a number of areas. It has put Australia on the wrong path. We need to get the priorities right again so that we can restore hope, reward and opportunity to every Australian.

Mr FLETCHER (Bradfield) (12:18): I am very pleased to rise to speak on this appropriations bill. I want to speak on a matter of particular concern, which is the standards of governance in superannuation funds, particularly industry and public sector superannuation funds. I firstly want to make the point that there are numerous troubling instances of governance issues. I secondly want to make the point that a major factor behind this, I would argue, is the very substantial prevalence of union appointed directors in industry and public
sector superannuation funds. I thirdly want to highlight the fact that the Cooper review recommended wholesale reform of governance of superannuation funds to remove the so-called equal representation model—a recommendation which has been conspicuously and repeatedly ignored by the minister, the member for Maribyrnong. That policy on his part is, I venture to suggest, not unrelated to his background as a secretary of the Australian Workers' Union and a director of an industry superannuation fund.

Let me turn to the issue of governance problems. The purpose of superannuation is to fund the retirement incomes of Australians. In section 62 of the Superannuation Industry (Supervision) Act, we see the 'sole purpose' test, which requires the trustee of a regulated superannuation fund to ensure that the fund is maintained solely for the benefit of each member of the fund. It is hard to avoid the conclusion, however, that in all too many instances directors of funds tend to honour this in the breach.

I want to talk firstly about the troubling example we have recently seen with the Victorian branch of the construction and general division of the CFMEU pressuring the building industry superannuation fund Cbus. This follows a dispute between the CFMEU and the construction company Grocon. Earlier this year, Victorian secretary of the CFMEU, Mr John Setka, said his members were angry that Cbus had awarded Grocon a $430 million project in Sydney. 'I reckon it's a slap in the face for the union, what Cbus has done,' Mr Setka is quoted as saying.

The CFMEU has subsequently sought expressions of interest from other superannuation funds to become the default fund for Cbus members. This would appear to be an attempt by a union to use the economic resources of a large superannuation fund over which it has substantial influence, including the right to appoint three directors, to secure industrial or political outcomes, in this case to advance its industrial dispute with Grocon.

What would such action mean for the interests of the 655,000 members of Cbus? We should consider that the property development being pursued by Cbus is being done presumably with a view to maximising the retirement incomes of members. We should also remember that many of the 655,000 members of Cbus are not members of the union. It is their interests as members of the fund which must be paramount in the minds of directors, not the industrial agenda of the CFMEU.

Let me give another example, which is the Transport Workers Union. The Transport Workers Union is closely affiliated with TWUSUPER, a superannuation fund which has $2.6 billion under management and 130,000 members. Those numbers are about a year old. Four of its directors are appointed by the Transport Workers Union. As at roughly a year ago, the four directors appointed were the federal secretary of the TWU, Mr Tony Sheldon, and three state secretaries of the TWU, Mr Wayne Forno, Mr Wayne Mader and Mr Jim McGiveron.

In 2011 the TWU vigorously attacked changes proposed by the management of Qantas to the operation of that company, changes which management said would improve the company's financial performance. Members of TWUSUPER have a right to expect that the sole consideration exercising the minds of directors of the fund is how to maximise the financial returns generated by the fund. This raises an obvious question: how is it that directors of TWUSUPER who are also union officials think about equity investments in Qantas or in other companies in the transport sector?
Another fund I would like to mention is the Meat Industry Employees' Superannuation Fund. The Meat Industry Employees' Superannuation Fund, it was reported in *The Australian*, made a $30 million investment in a building company, Austcorp. Almost all of that money was lost when Austcorp collapsed in 2009. *The Australian* has reported that Mr Wally Curran, a long-term secretary of the meat workers union and a long-serving director on the board of the fund, was paid significant consultancy fees by Austcorp. Further, according to ASIC searches, Mr Jon Addison, who is a director of the Meat Industry Employees' Superannuation Fund, has been at various times a director of several Austcorp group companies, including Austcorp Group Ltd.

At the very least, these facts raise questions about whether there was a conflict of interest facing Mr Curran and Mr Addison. They were in a position of considerable trust, managing a superannuation fund charged with the custody of the retirement savings of low-paid blue-collar workers. The question arises: how did it advance the interests of those workers for Mr Curran to receive consultancy fees from Austcorp? So I would suggest to you, Madam Deputy Speaker, that there are troubling instances of governance problems in superannuation funds.

I want to mention another one as well which does not involve union appointed directors but raises many of the same issues. There is a company called Local Government Financial Services, which for many years was owned in New South Wales by the local government and shires association. In 2004 LG Financial Services was sold to the superannuation fund LG Super. LG Super is the fund which has custody of the retirement savings of employees of local government instrumentalities in New South Wales. At the time that the local government and shires association sold the company LG Financial Services to LG Super, there were several directors in common between the local government and shires association and LG Super. This transaction may well have looked very attractive to the local government and shires association as a means of raising funds from the sale of an asset, but the question arises: was this transaction also in the interests of members of LG Super? Did it comply with the sole purpose test in section 62 of the Superannuation Industry (Supervision) Act?

I have argued that there are governance problems in the superannuation sector arising from the so-called equal representation model under which directors are appointed to superannuation funds, and the largest class of directors are union officials who are appointed to be directors of industry and public sector superannuation funds. Let me turn next to discuss how extensively this occurs. According to data issued by APRA, the Australian Prudential Regulation Authority, there are 71 funds which APRA classifies as public sector or as industry funds. If you review, as I have, the annual reports of these 71 funds, you discover that the total funds under management exceed $380 billion. So, by any measure, the governance of these funds is a matter of great concern to many, many Australians whose superannuation savings are governed, are held within the custody of these funds and are directed and managed according to the decisions made by these directors of these funds. Of these 71 public sector funds, there were 551 directors in total and, of those directors, 171 were appointed by unions and the majority were union officials.

A very wide range of funds have a large number of union officials on their boards or have a large number of union appointed directors. I could mention the Australia Post Superannuation Scheme, which has three union appointed directors; AustralianSuper, with $47 billion under
management, so an enormous fund, with six union appointed directors; Construction and Building Unions Superannuation, Cbus, with eight union appointed directors; HESTA, Health Employees Superannuation Trust Australia, with seven union appointed directors; Local Authorities Superannuation Fund in Victoria, with four union appointed directors; the Local Government Superannuation Scheme in New South Wales, with four union directors; the State Public Sector Superannuation Scheme—and I am not totally sure which state this is; I think it might be South Australia, but I would need to double-check that—with six union appointed directors; and Sunsuper, with three union appointed directors. And all of these make up a total of 171 union appointed directors on industry and public sector superannuation funds.

If you turn around and look at this from the other angle and you look at the unions which are involved in appointing directors, that is also extremely instructive, because what you find is that a number of major unions have their tentacles extending into a lot of superannuation funds. I want to look, for example, at Unions NSW, which appoints nine directors to several different funds. The CFMEU appoints 15 directors across four funds, and those funds have under management, in total, $29 million. The alternative government of this country, the Australian Workers’ Union, has nine directors across seven funds. The ACTU, the Australian Council for Trade Unions, appoints 20 directors across seven different industry and public sector superannuation funds, which have under management in total over $100 billion. United Voice appoints nine directors across four separate funds. The Electrical Trades Union appoints 13 directors across six funds and other unions which appoint directors include the CEPU, the CPSU, the ASU or the Australian Services Union, the SDA or the Shop Distributive and Allied Employees Union—of which I was once a member on the basis that when I was a university student working as a shop assistant it was no-ticket-no-start and membership was compulsory. The USU or the United Services Union, the HSU or the Health Services Union, the Maritime Union of Australia and the Transport Workers Union are other unions which appoint directors to industry and public sector superannuation funds.

I think it is clear from these statistics that the major unions in this country exercise very substantial economic power through their capacity to appoint directors to industry and public sector superannuation funds which have funds under management totalling hundreds of billions of dollars. As I have indicated in the first part of my remarks, this raises significant issues not just because it is, I argue, evidence of a clear strategy pursued by the Labor Party since days of the Hawke-Keating government to extend the economic influence of the union movement, but also because of the clear governance issues which arise when you have union officials appointed to the boards of industry and public sector superannuation funds who may be tempted to exercise their economic power in the interests of the union rather than in the interests of the members of the superannuation fund.

I want to turn finally to the question of the recommendations of the Cooper review, which looked into this question. The Cooper review looked at the governance of superannuation funds and it recommended major changes to the existing equal representation system of unions and employer organisations appointing directors to the boards of superannuation funds. In the chapter discussing this issue, the Cooper review made a number of obvious points about the flaws in the current system, including the fact that many members of superannuation funds will not be members of the union and therefore the fact that the union is
appointing directors does nothing to give representation to those members. It pointed out that as more and more people are in the pension phase of their superannuation they are no longer active employees and therefore no longer union members. The Cooper review recommended that the so-called equal representation model—which was the Hawke-Keating government arrangement put in place to entrench the economic power of the unions and extended into superannuation—be fundamentally changed. Surprisingly, that recommendation has been completely ignored by former AWU secretary and the current responsible minister, but, should the coalition come to power, we will be dealing with this.

Mr ADAMS (Lyons) (12:33): The appropriation speeches allow members to relate details of the budget to their electorates and see the work individual members have put into particular issues. But the debate also allows us to speak of the future and to relate the budget to the building blocks and the ongoing vision for our regions and areas of representation.

From my point of view, in relation to the broader picture this budget has been very fair to the electorate of Lyons in Tasmania. It has taken up many of the areas in my electorate which have been needing attention for many years and perhaps the biggest one is the road and rail infrastructure. I thank the government for their ongoing commitment to providing safe and up-to-date transit systems which take into consideration the size and population of our state and the need we have to shift freight, we people.

In the 2013-14 budget, not only does it continue the roll out of the federal Labor government's capital works program but also it identifies future funding priorities within the nation's regional highways and urban public transport infrastructure put to the front of our funding priorities. In the global world of the 21st century good infrastructure matters very much indeed. Through the establishment of Infrastructure Australia we have overhauled the way our nation plans, prioritises, finances, builds and uses its infrastructure. When you think about it—and Deputy Speaker, you have been in the parliament a long time now—with Australia having a body focussing on infrastructure we are trying to bring together a port strategy for our nation. We are an export nation and for the first time in history we are looking at how our ports operate and at our future infrastructure needs. It is well overdue. I note during the Howard years all those ships in Queensland which were laid off, queued up waiting to get into ports, and the bottlenecks caused because we were not dealing with infrastructure.

The total public and private investment in the nation's roads, in rail, in electricity generation and in water storage facilities is now 42 per cent higher in real terms than during the last full year of the former government, 2006-07. In part that has been driven by much greater investment at the national level. In fact, we have already committed $60 billion as part of our national building program to modernise the nation's road, rail and public transport infrastructure. Delivering the new road and rail infrastructure our cities need will require a partnership not only between governments but also with the private sector. That is why we are taking the next step with new innovative ways of attracting greater private investment in public infrastructure. Importantly, Federal Labor's approach involves investing in both urban road and rail infrastructure. If not tackled in such a balanced way, any growth in the Tasmanian economy will be brought to an abrupt halt by lack of basic infrastructure to service the private sector.

Federal Labor's investment in Australia's vital infrastructure extends well beyond the limits of our cities to the highways which connect our regions carrying much of the nation's wealth.
Two-thirds of our infrastructure budget is earmarked for projects in rural and regional Australia. The 2013-14 builds on that, adding to what is already the largest road construction program since the creation of the national highway network nearly 40 years ago. Tasmania has benefited to the tune of $500 million, which will continue the upgrade of the Midlands Highway which connects all parts of my electorate to the south and to the northern ports, and carries the freight load through rail and road—important linkages for Tasmania.

Rail infrastructure includes replacing sleepers, rail and ballast along key sections of the main north-south line, including through the Rhyndaston area of the Lyons electorate, with the federal contribution being $75.9 million. This is the rail was put in place, I think, in the 1880s and 1890s when rail was built in Tasmania—so, a long time ago—and this will help straighten out some areas and help build those big trains at the hub in Brighton, also in the electorate of Lyons, just on the outskirts of Hobart, so that we can build rather large trains which can then carry cargo into the northern ports area.

Other infrastructure funding includes assistance towards the development of our irrigation schemes and to deal with some of the issues of country roads through black spot programs, which are working very well, or through the national building program—and I am pleased to see that the straightening and widening of the Port Sorell main road has been included for $1 million. There are also numerous local road additions, which I know communities will welcome, including those bridges in the Mathinna area and through that region. I know there is more to be done. But this government is making the right infrastructure funding decisions for the nation's future, and building infrastructure across the length and breadth of Tasmania that will stand the test of time.

As people are aware, I have been representing the electorate of Lyons for some time and it means that I am aware of the needs and aspirations of the people who live there. We have had many battles, but the biggest battle of all is to keep jobs in local communities. Providing services in those small towns and rural areas around my electorate ensures that people remain in those areas.

The Building the Education Revolution and its ancillary programs have been one of the greatest assets to small towns and have been highly appreciated. Because Tasmania was set up a little differently from the mainland of Australia, I believe we gained the most out of these programs. Comments from all over Lyons include: 'We haven't had any work done on our school for over 50 years and this will set us up for the next 50. Thank you very much and thanks to the federal government,' or, 'I went to school in this building and I am so happy that the school is still here and being appreciated in this centenary.' It means that the town can retain a few professionals. It means that the community can have a centre in which to gather—and often these schools become the centre of those communities. Just look at the school hall in Dunalley, built under the BER. The hall is on a slightly lower level than the school and so, when the school was burnt to the ground, the hall survived and it delivered a lot of essentials to the community in the first few days after the fire. It became the centre in which the community gathered for emergency assistance, along with the local pub.

So the BER delivered the bricks and mortar. Now Gonski can deliver the improved quality of education to go with it, through a new funding model. This is not just about keeping students in school beyond year 10; this is about monitoring and delivering a system in which our kids can gain a good, meaningful primary school education and can then move from
secondary to tertiary education with the relevant skills to follow a career path. And the key is primary education: if you do not have the skill base of primary education, it is very hard for you to go on to higher education. Education has changed so much, even over my lifetime, that we need to keep improving and making relevant our education to the workplace. I have been able to share the joy of these communities in improving such an important building block for our nation. I know the trades training centres have helped so many young people get a focus on their future working situation in my electorate. These have been a great success. This is a wonderful piece of policy coming into being, and we should enhance that process into the future.

Health facilities have been another vital aspect in keeping our dispersed communities safe and well. My Lyons jewel in the crown of health facilities has been the Kentish medical centre. It was developed with the help of a building provided by the state government—an old infants school which had become surplus to need once the BER money built a new infants school on the primary site—and a dedicated doctor in this area who had a vision for his community, to get out of the old, broken-down wooden cottage which had served primary health-care delivery in the Kentish municipality for a long time, but with a vision to improve much more than that. With this, there has been the further upgrading of the Tandara Lodge on an adjacent site as an aged-care home. If I had to go into a home anywhere in Lyons, this would be the one. As well as Sheffield, we have renewals of the Longford Medical Centre and the vision for a new centre at Brighton, now under construction; and Sorell and Bridgewater have also benefited.

Then we have the Living Longer Living Better aged-care program, which has come about after extensive discussions in the community. The Living Longer Living Better aged-care reform package provides $3.7 billion over five years. It represents the commencement of a ten-year reform program to create a flexible and seamless system that provides older Australians with more choice and control, and easier access to a fuller range of services where they want them and when they need them. It also positions us to meet the social and economic challenges of the nation's ageing population. These reforms give priority to providing more support and care in the home, better access to residential care and more support for those with dementia, and to strengthening the aged-care workforce. They are being progressively implemented from 1 July 2012 to give earlier benefits to consumers and providers but also to ensure that there is a smooth transition by consumers and providers with sufficient time to adapt and plan ahead for future reform. These are all important and valuable reforms.

My biggest challenge, though, has been jobs. Since the monumental changes to the forest industries and the loss of so many jobs, communities have been ripped apart. Then came the bushfires, and the tragic aftermath of those left many timber communities reeling. The forest agreement has taken three years to come to some resolution, and there are still issues now with change taking place, and that is coming into being, with smarter methods and new systems. We need to find new markets and reskill our workers, and this is happening but it cannot happen overnight.

I commend the budget and look forward to the implementation of many of the programs throughout the budget.

Mrs ANDREWS (McPherson) (12:49): I rise to speak on the Appropriation Bill (No. 1) 2013-2014 and cognate bills. On Tuesday, 14 May the Treasurer introduced the Labor
government's sixth budget, and I, along with my coalition colleagues, have serious concerns about that budget.

Let me start with the surplus promise. Over 500 times the government promised that there would be a surplus, but there is no surplus this year, there will be no surplus next year and there will be no surplus the year after that. According to the budget papers, there will not be a surplus until 2016, and it will be a modest balance at that.

The Prime Minister herself said, on 165 separate occasions, that the government would deliver a surplus this year. The original promise was for a surplus of $1.5 billion, but, in the weeks leading up to the budget being introduced, the Treasurer foreshadowed that this would not be achieved. He said that this was because of a drop in revenue of $7.5 billion. I will talk more about that shortly. As it got closer to the budget being handed down, the shortfall became $12 billion and then $17 billion. On 14 May, the deficit that we had was $19.4 billion. This is the fifth-biggest deficit in our history. What we are looking at here is the promise of a $1.5 billion surplus and the delivery of a $19.4 billion deficit. That is a difference of $20.9 billion. This is not a small amount of money. It is not an insignificant amount of money. To put it into a local context for my electorate of McPherson, it is more than 20 times the money that was allocated in 2007 to upgrade the M1, an upgrade that the Labor government has failed to complete in its almost six years of government.

As I said just before, the Treasurer claimed that the deficit was a result of revenue shortfalls of anywhere in the order of $7.5 billion to $17 billion, depending on which day you choose to consider. Arguably, the Labor government used optimistic forecasts of revenue and spent the money accordingly. As a engineer, I always worked with factors of safety, so I ask: where was the factor of safety in the budget forecasts? We all understand that spending money before you have it is a high-risk strategy. Relying on optimistic forecasts to budget is also a high-risk strategy. This government has demonstrated time and time again that it has a forecasting problem. It is not a revenue problem; it is a forecasting problem and spending problem.

It is clear when you compare the revenue that the Treasurer now has to balance the budget and the revenue that Peter Costello had to balance the budget six years ago. The Treasurer now has an extra $80 billion of revenue. Peter Costello delivered a $20 billion surplus with $80 billion less revenue than the Treasurer has. It is not because the revenue is down that we have a deficit; it is because spending is up, and it is up by $120 billion. It has been said by many of my coalition colleagues that the Labor government has a spending problem, and it does. It also has a waste problem. Let us have a look at some of the waste and budget blow-outs over the years of this government. Let us start with home insulation. A headline from The Age on 11 March 2010 says '100m to fix botched insulation program'. An article in the Adelaide Advertiser on 17 May 2013, headlined 'Ad spree to cost $100m', says: LABOR is splurging more than $100 million on government advertising this financial year and next around the election …

On immigration, a headline from The Daily Telegraph of 23 July 2012 says, 'Greens' asylum seeker demand set to blow the budget surplus'. On the NBN, a headline from The Australian of 10 August 2012 says, 'NBN costs soar as Labor rolls out extravagance'. A headline in The Australian on 13 August 2012 says, 'PM's $150m spin doctor brigade'. A headline in The Courier-Mail on 17 June 2009 says, 'School rip-offs exposed'. On set-top boxes, a headline
from The Daily Telegraph of 18 July 2011 says, 'S67m worth of set-top box red tape'. On 'gold-plated' coffee machines, The Courier-Mail of 14 August 2012 says, 'We pay to perk up officials' daily grind':

LABOR'S bureaucrats are splashing taxpayer money to deck their offices out with $15,000 coffee machines.

News Limited can reveal the Department of Industry, Innovation, Science Research and Tertiary Education has dropped $75,000 on buying and installing just five high end coffee machines for its Canberra office.

That is a truly staggering amount of money.

Summing up this year's budget can be done in one word, and that word is 'disappointing'. Even that, quite frankly, is being somewhat generous. It was disappointing for Australians and it was disappointing for the future of our country. Why was it disappointing? There are many reasons, but let me start with this: total gross debt, which is set to breach the $300 billion debt ceiling within the forward estimates, is expected to approach $400 billion over the forward estimates.

But the government has not increased the debt limit in these bills. The government has raised the debt ceiling several times in the past, so to do it now would not be a new concept. They increased it from $75 billion to $200 billion, then to $250 billion and then to $300 billion. Each time the government has said that it will not break the limit. Well, gross debt is expected to approach $400 billion over the forward estimates, and if that is the case then the current $300 billion ceiling will be breached. That is an unprecedented level. It brings with it interest payments of $35 million a day, $245 million a week and close to $13 billion a year.

But when we are talking about a disappointing budget, that is not all there is. This is the fifth consecutive deficit that this government has delivered, with at least two more to follow. This raises a very serious issue of credibility in relation to the government. After maintaining up to a few weeks before the budget was delivered that there would be a surplus this year of $1.5 billion, only to reveal a $19.4 billion-deficit and the promise of a surplus next year of $2.2 billion, which is now a deficit of $18 billion, the obvious question, and the question that many Australians are asking is: will there really be a promised surplus in 2016? Can you believe what the government is actually telling you? I would say that if past behaviour is a predictor of future behaviour then the answer is that the prospect of Labor delivering a surplus is highly unlikely.

What else do we have? We have net debt at a record level of $192 billion, and there is no credible path back to surplus. The government has failed to demonstrate with any credibility the path that will deliver the promised surplus. Many Australians just simply do not believe that it will happen.

In his budget speech, the Treasurer said that the budget was about jobs and growth, but growth decreases and unemployment rises. Unemployment, underemployment and workforce participation are all issues that are being faced around this country, and my electorate of McPherson on the Gold Coast is no exception. Last week there was a hearing held in Melbourne in relation to the inquiry by the Standing Committee on Education and Employment into the Fair Work Amendment Bill 2013, which is a significant piece of legislation with regard to employment, and I asked the following question:
Last week in the Treasurer's budget speech he spoke about supporting jobs and growth. Do you believe that the amendments that are proposed in this bill support jobs and growth, or do they potentially create a negative impact on jobs and growth?

We had a response from Mr Stephen Smith, who is the Director, National Workplace Relations, at the Australian Industry Group. He said:

The problem with the legislation, and particularly this bill, is that it imposes a lot of impediments on businesses when they are making decisions about employing people and making decisions about what they can do about problems within their business. There is nothing in this legislation at all that is going to promote one job, and there are a lot of things in this legislation that will impose more barriers on business …

Mr Daniel Mammone, the Director of Workplace Policy and Director of Legal Affairs, Australian Chamber of Commerce and Industry, responded:

It is a really good question and point, given that confidence is so important for the SME sector. Our small business survey which was released this week unfortunately indicated that confidence was still tracking in negative territory.

He went on to say:

In summary, this does not really provide any further confidence to the business community, unfortunately. It is something that the business community have told us they are disappointed with. Small business in particular feel that they are not being heard—and they are too big to ignore, in our view.

It is important to instil confidence in the business sector and also instil confidence in everyday Australians, many of whom struggle on a daily basis. It is time that the government takes note of the millions of families and businesses across the country who are struggling to ensure that they have a balanced budget, even in the face of a 90 per cent rise in electricity and a 64 per cent rise in gas prices under the Rudd and Gillard governments. If they spent more than they earned and let their debt spiral out of control, where would they be? Businesses would be forced to close and families would not be able to put food on the table.

Australians deserve a better government. The coalition has a plan to build a strong and prosperous economy for a safe and secure Australia.

Mr COULTON (Parkes—The Nationals Chief Whip) (13:02): I rise today to speak on Appropriation Bill (No. 1) 2013-14. I would like to note that in the 5½ years that I have been in this place as the member for Parkes never have the state of the finances of the country been more in focus and never has a budget been so little regarded. There is irony there.

Cast your mind back to 2007 when I first came here. The country had no net debt and had money in the bank, had money put away for future requirements. The Australian people were confident and the economy was humming along. People's minds were cast to wanting to fix the environment and a whole range of other things. I think there was a belief that the country ran itself. Indeed, the state of the finances and the state of the economy in 2007 were purely a happy coincidence. It did not really matter what the government did. There was no credit really given to the previous Howard government and the country looked after itself.

How wrong we have been. I am not going to go over the litany of mistakes that have been made but it started with the reaction to the global financial crisis and the panic spending of money on the pink batts scheme and the school halls program. Putting money into education
is a noble cause but not managing the program and spending billions of dollars more than was necessary is indeed a problem.

So, at the moment, we have a budget with about a $19 billion deficit. Admittedly, it was predicted last year that it was going to be a surplus. Indeed, in 2012, the opening sentence in the Treasurer’s budget speech was: ‘This is the first of four surplus budgets that will be delivered for Australia.’ He was so wrong. That is the problem. The Australian people, business and the Australian citizens, have lost faith in this government. How that manifests itself is that people are just closing down. They are just not spending, and that is having an effect right through the whole economy. My personal belief is that, if you want the economy to be prospering and doing well, the Australian people have to have confidence. Putting in a government program that puts money into every community or having a factory come to the edge of town that is going to employ a lot of people is not the answer, compared to when every individual has confidence.

What we are seeing now is that people are not putting on apprentices. They are shedding staff. They will make the work vehicle last another year. Farmers are not game to purchase the neighbouring farm if it comes up for sale. Indeed, they are finding it very hard to find the finance. In the five or six years that I have been out of agriculture, the financial difficulties that farmers are facing in being able to obtain finance have tightened up a lot. That is trickling down, right down to the fact that one of the most disadvantaged groups in the entire economy at the moment—and they have been for some time—are the self-funded retirees. They are the sort of people who would have some discretionary spending, and they are not taking the trip around Australia that they may have done. They are not getting the house painted or updating the car to pull the caravan or whatever. That whole effect is trickling right through the economy. In the last couple of weeks I have been visiting the chambers of commerce in my electorate, and the statements they make are all the same: they are doing it incredibly tough. It is not only where the dollar is that is having an effect but this lack of spending by the Australian people, and they are also battling—I might say as an aside—internet trading. That is another thing that I think this place will need to look at in the future to try and level the playing field for our local businesses compared to online trading.

Regarding regional Australia and my electorate in particular, we really have seen a lack of regard and a lack of interest over the last few years. You might remember, back in 2007, that fateful day when the Greens and the Independents all signed up with the Prime Minister on the deal to do government, and one of the things that were spoken about was the $10 billion fund for regional Australia. It turns out that it was predicated on the mining tax, and we have not seen a fraction of that money come through. Much was made of the RDAs and Regional Development Australia. I sat through countless speeches in 2008 denigrating the old Regional Partnerships Program of the previous government, but I have to say that the people in regional Australia would like to see that back.

We saw once again, with a city-centric minister, that the type of funding that was out there in the first round of the RDAs was really only available to large communities. I got three in my electorate, and I am sure that those towns were grateful to get them, but they were the three largest towns. There was the Glen Willow Regional Sporting Complex in Mudgee, the artesian baths upgrade in Moree and an athletics field in Dubbo. They were the three biggest towns in my electorate. But we have communities like Coonamble, who for years have been
trying to get financial support for their covered arena for the rodeo ground so that they can make Coonamble a centre for equestrian pursuits. A covered arena would enable that to happen year round with camp drafting, rodeo events and all sorts of pony club and equestrian events, as well as trade shows and cattle shows. It would boost the economy of Coonamble. Indeed the Moorambilla Festival, which is a music festival that attracts thousands of people from all over the state, would use the facility. They were precluded because they did not have the resources to put in the necessary application. Other programs in smaller towns have been in a similar situation. The reality is that it is the smaller communities that really need the assistance of federal funding.

That leads onto my next point and that is the poor handling of the issue of constitutional recognition of local government. I firmly believe that this something that needs to happen. I was on the committee set up by Minister Crean to look at the possible success of this. We are not talking about major reform and we are not talking about altering the basic relationship between the Commonwealth, the states and local government. We are looking at a bit of housekeeping to tidy up a loophole in the Constitution to enable things like direct funding to local communities through regional programs. Roads to Recovery and other projects are perhaps not important in a larger metropolitan area, but to the 17 councils in the Parkes electorate they are a big deal. We are going to have that referendum, and I am certainly hoping the Australian people will get behind and support that. Unfortunately, in January when we were having a hearing into this, the Electoral Commission witness at our hearing said, 'You need at least six months to properly organise and run a referendum.' With the sacking of Minister Crean and Minister Albanese taking over, the announcement was made with less than four months to go. It is going to be all stops out. This is an example of what to me is a no-brainer, but it is going to be a struggle to have it accepted because there has not been the time to build the case.

The other thing that I think we need to be focusing on is rural roads. One of the things the constitutional recognition of local government would protect would be the Roads to Recovery program—a program that has been very successful. I would like to see that extended; I would like us to look at rural roads. Nearly everything we buy on supermarket shelves starts its life on a rural road. I think it is hard for people who do not live in the bush to comprehend the fact that after as little as 10 millimetres of rain you cannot get your kids to school. In most farm families one member now works off farm and if they are a nurse or a teacher or whatever in town they cannot get to work. You cannot access health services, either, but, more than that, there are many millions of dollars of produce that can be stranded for weeks at a time because of the impasse of the roads—roads that were built in the days of Cobb & Co that are now expected to deliver tons of freight on road trains and B-doubles. That is why I support the Australian Rural Roads Group in their effort to highlight the issue of high production agricultural areas battling with the poor infrastructure of local roads.

Another thing that there has been a lot of discussion about in this place has been the inland rail, and I am certainly hopeful that in the next term of government we will get some positive action on that line. This is a steel Mississippi that would link Melbourne to Brisbane and would go through the middle of the Parkes electorate. Not only would it get a lot of trucks off the road and be better for the environment, but it also would provide a backbone to build the economy of western New South Wales, Victoria and Queensland.
A couple of things in closing. I proudly represent the second largest Aboriginal population, after the Northern Territory, of any electorate in this country. There are some positive things happening in my electorate for young people. The Clontarf Foundation has four academies in the Parkes electorate. I have been privileged to go to football training with the boys at the Moree Academy. While they completely humiliated me on the football field, it was great to see the respect and the order that are returned to these young men's lives. That is another thing that I will be pursuing. We could do with academies in many of the other towns, notably Dubbo—there have been 240 boys in Dubbo identified as being acceptable to Clontarf—but even smaller communities, like Boggabilla and Toomalah, would benefit from that.

Also for the Aboriginal community, I am very keen, under the coalition's green army project, to get a work program going—a couple, I think: one in Dubbo but, more importantly, one up at Boggabilla—and get them involved in resource management. Boggabilla is the home of Boobera Lagoon. For those of you who do not know, Boobera Lagoon it is the resting place of the Rainbow Serpent in Aboriginal lore. There is a lot of work that can be done in that area to restore the natural landscape in conjunction with Moree Plains Shire and the local land services to do work on weed control and get these people who are struggling to find a job back into employment. I firmly believe the most stabilising influence that you can give a family is a job. Put a job into that home and not only does it affect the life of the person with the job but it also affects the entire family, particularly the children. I will continue to work for the Aboriginal people of the Parkes electorate; 20,000 of my constituents are Aboriginal people. I believe that we need to have sensible, practical measures for them.

I will close by saying: if you want to disrespect someone, you have a lower expectation of them than you do everyone else. I am sick of seeing programs that are rolled out from here—this is not a political statement; it comes from all sides—that have a lower expectation of success for these people, for our Aboriginal brothers and sisters, than they do for everyone else. I would like to see that stop.

Mr FRYDENBERG (Kooyong) (13:17): I rise to speak on Appropriation Bill (No. 1) 2013-2014 and Appropriation Bill (No. 2). The standard supply bills will see money allocated from the consolidated revenue fund for the services and programs of government. Appropriation Bill (No. 1) covers $78.1 billion; Appropriation Bill (No. 2) covers $4.77 billion. There is also the Appropriation (Parliamentary Departments) Bill (No. 1) 2013-2014, which will seek to appropriate $184.7 million.

This is an opportunity for me to critique the government's failed economic management, to look at its rising debt and its deficit and the burden that it is creating for future generations. Let us remember when Kevin Rudd became the Prime Minister in 2007. He promised the Australian people he would be an economic conservative, that he would continue the proud tradition that existed under the government of John Howard and Peter Costello, which saw 10 budget surpluses, saw more than two million new jobs created, saw inflation and unemployment at three-decade lows, saw a 22 per cent increase in real wages, saw a AAA credit rating, and saw all government debt—$96 billion of government debt that we inherited—paid back and that in its place $70 billion was left in the bank, including a $20 billion surplus.

But the Australian people should have known, because the last time the Labor Party delivered a surplus was way back in 1989. And since the time of the Rudd and Gillard
governments, we have seen the five biggest budget deficits in the history of the Commonwealth. This is despite this government—the Prime Minister, the finance minister, the Treasurer—promising more than 500 times that we would see a surplus this coming year. Instead, we have a $19.4 billion deficit, with an $18 billion deficit the year after. This country is soon to break through the $300 billion debt ceiling for the very first time. On the forward estimates we are going to a $400 billion debt. As a result of that bill, we will be spending more than $8 billion just meeting the interest payments. That is the price of eight new teaching hospitals right around Australia. That would pay for the Gonski reforms plus half the NDIS, or that would build the East West Link or West Connect. That is what the interest bill alone is costing the Australian people.

We have seen falling productivity and higher unemployment. We have seen more than 20,000 new public servants and, I am afraid to say, there are now 1,600 staff employed in federal departments as spin doctors, managing communications, media, marketing and public affairs. We have seen nearly 30 new or increased taxes, the daddy of them all being the carbon tax and of course there is the mining tax. We have seen more than 20,000 new regulations—red tape and green tape hurting big and small businesses alike. We have broken promises—not only the carbon tax. What about the government's commitment not to affect the rebate on private health insurance? What about the government's promises to deliver family tax benefits, increases in family tax benefit A in particular?

We have seen more than 100,000 jobs across Australia go in manufacturing, the most painful being the recent announcement by Ford that it will be closing down its operations in Geelong and Broadmeadows. We have seen more than 250,000 jobs go in small business. We have seen emboldened unions. In the Fair Work Act there are 120 areas where unions have more control than ever before. We have seen days lost from industrial disputes dramatically increasing and as well the number of unfair dismissal claims going up.

We have seen the tragedy of 42,000 unauthorised arrivals making a mockery of the government's border protection policies. This has led to a $10 billion blow-out in this government's budget. Let us not forget that in the years between 2002 and 2010 just 10 boats came to Australia with less than 250 people on board. And since this government has unwound the successful policies of the Howard era, more than 42,000 unauthorised arrivals have come. The Australian people could never have imagined that it would be this bad. Indeed, even Gough Whitlam, a hero to those on the other side, produced a budget surplus. This government will never do that.

You simply cannot take this government at face value with anything it says. Not only did it promise recently that we would have a budget surplus, which has not eventuated, but now it is promising that we will have a budget surplus in 2016—that is, after the Treasurer said in 2008 that the deficit was 'just temporary'. As Joe Hockey has said, by that standard World War II was temporary. Just six years of temporary deficit: I do not believe it. It is going to be many more years than that. In fact, the Treasurer began announcing last year's budget with the line: The four years of surplus I announce tonight ...

That is extremely laughable. Can you believe that the Treasurer said on 22 May this year:

No other government in our history— in the history of the world, ever, throughout time—has done what we have done in this recent Budget, which is bring the Budget back to surplus over time …
Is Wayne Swan a comedian? If he is, he is a very bad one at that. Again in this budget the government is cooking the books. This government wants us to believe that by 2016-2017 the mining tax will produce $2 billion of revenue. That is a 1,000 per cent increase on current numbers. What about the changes in the dollar? What about the changes in the terms of trade? In fact, the terms of trade today are 15 per cent higher than in any year of the Howard government.

In terms of the carbon tax, this government has us believe that when it moves to a floating price the carbon price will be $12 a tonne, when it is currently around $4 equivalent a tonne in Europe and just 85 cents in New Zealand. Then in Senate estimates, when officials were asked how they came to that number of $12 a tonne, moving up to $38 a tonne over time, they said, 'We have taken the straight-line method'. What is the straight-line method? Why would you not be looking at market trends?

The point here is that this government does not have a revenue problem. In fact, revenue is up $80 billion from the last year of the Howard government. This government has a spending problem. More than $192 billion has been spent more than it has raised over the last five years. Expenditure as a percentage of GDP is higher every year under Labor than under the last two years of the Howard government. In fact, spending today is $120 billion higher than in the last year of the Howard government.

Again, it was laughable to see the Treasurer of Australia say on 21 April that they had a revenue black hole, that revenue was down by $7½ billion, because—do you know what, Mr Deputy Speaker?—the Prime Minister came out a week later and said that revenue was down $12 billion. And then you had the finance minister come out a week later and say that revenue was down $17 billion. This was not revenue; this was their forecasts! Revenue is not their problem; it is $80 billion higher than in the last year of the Howard government.

We know that this government is creating a high-cost, low-productivity environment. We have just had the head of Ford say that if he were to produce a car in Europe—that highly regulated environment of Europe—it would cost twice as much as to produce it in Australia. If he were to produce a car—

A division having been called in the House of Representatives—

Sitting suspended from 13:27 to 13:34

Mr FRYDENBERG: As I was saying, this government has created a low-productivity, high-cost environment. We have seen that with the closure of Ford and the statements by the head of Ford about the costs of manufacturing a motor vehicle in Australia compared to making a comparative vehicle in Asia or in Europe, which are both much more cost-effective than Australia.

We have also had the announcement by BHP that they would not proceed with the $30 billion-development at Olympic Dam, and also the Port Hedland extension, which did not proceed. These are just some of more than $100 billion of national projects which have been either cancelled or postponed because of the high-cost environment.

It is no wonder that costs have gone up, when the unions have taken control of the workplaces around Australia. In fact, this government has abandoned and abolished the Australian Building and Construction Commission, which came out of the Cole royal commission and was designed to deal with lawlessness in the building and construction
sector. I know in my own state of Victoria, where nearly 10 per cent of people are employed in this sector, that the abolishment of the ABCC has had a dramatic impact. We have seen some of the stand-offs with unions with the Grocon-Myer Emporium and also at other places around the state.

Jac Nasser, the head of BHP, said that in the Queensland coal business alone in 2011-12 there were more than 3,000 examples of industrial disputation. There were 301,800 days lost to industrial disputes in 2012. This compares to just 49,700 in the last year of the Howard government.

Because of this government's woeful economic performance there is little money for the things that are really important to our community—for example, universities. This government has ripped billions of dollars out of universities, devastating what should be an important sector in lifting our productivity as well as being an export earner for attracting the best students to our country. Fred Hilmer, the Vice-Chancellor of the University of New South Wales, said:

With these cuts coming we will have to slow down hiring and slow down our investment in technology. How you reconcile that with the Asian Century ambition is just a joke.

What Fred Hilmer, a non-partisan figure, is saying is that the government's words about the Asian century were purely that: just words, not backed up by deeds.

In terms of infrastructure, important projects like the East-West Link in my state of Victoria, which received a $1.5 billion funding commitment from the coalition, does not receive anything from the government. Public hospitals have seen money taken away retrospectively by this government, which has led to bed closures and the cancellation of elective surgery. Cuts to private health insurance will drive up the costs for all people with private health insurance, including 5 million Australians who have a household income under $50,000—and that is their annual household income, but they have taken the decision to take out private health insurance.

Non-government schools have also seen their funding cut. We have seen cuts to superannuation, we have seen $375 million ripped out of the aid budget in order to fund border protection. And of great concern to me, we have seen cuts to national security: the AFP has seen $200 million taken away in the last two years, the Australian Crime Commission has seen up to 200 staff lose their jobs and the ASIO budget has been slashed by over $16 million in 2011-12. Customs has seen 130 staff cut and Defence spending is at its lowest level since 1938 at 1.56 per cent of GDP. In fact, in GDP terms, we are the 65th country in spending on defence—the 65th country!—when we are the 12th or 13th biggest economy in the world. That is a disgraceful record on behalf of this government.

This government has no answer to the demographic challenges facing this country. It has no answer to the structural deficits; it has no answer to how we can end the age of entitlement. We, on the other hand, have a blueprint for reform in manufacturing, advanced services, education, health, agriculture and, of course, resources. This will be based on our commitment to smaller government, personal responsibility and individual freedom. Forget the chance on 14 September. We will not only produce a budget surplus once again but ensure that all Australians are better off.
Mr OAKESHOTT (Lyne) (13:40): Mr Deputy Speaker, just on an administrative matter, I gather there is five more minutes before you will have to call stumps.

The DEPUTY SPEAKER (Mr McClelland): That is right.

Mr OAKESHOTT: Despite the advice that I just gave to the clerk, when we come back at 3.30 I will continue my remarks on the full budget reply for around 17 minutes on matters that my community and my country feel are important.

I have listened closely to the member for Kooyong, and I have listened closely to the debate that rages in Australia about our economy and about where we are going. There is no question that there is plenty more work to do. There is tax and spend reform that is desperately needed in our country. While there is an increasing focus on the spending side, I would hope that we do not give up on the work done by a very good former Taree local who made it to be Treasury secretary, Ken Henry, and the work done by his expert panel around 2009 on a blueprint for sensible tax reform. Much more work can be done in nation building to deliver on that.

On the spending side, I think the Parliamentary Budget Office—the very good, new Parliamentary Budget Office—released a paper last month which identified that the difference between tax and spend. It is not that great when, on the spending side, one of our main structural problems is this wont to give tax cuts whenever elections come around. If everyone could relieve the last decade, which I consider for Australia were very fat and unsustainable times, the idea of delivering up to eight tax cuts—I think five were actually delivered—would be viewed differently. It has now placed us in a position which we do not want to be in. So, yes, at the time, they were tax cuts; but, really, it was unsustainable spending from a government point of view and, on reflection, it would now be viewed, I hope, differently.

Also when we look back on that period, our tax to GDP ratio was peaking. Again, if we are serious about the future, a 24 per cent tax to GDP ratio is the window which I hope all in this place would want to work under, regardless of our politics. The room to move in tax negotiation is around that 24 per cent tax to GDP. I hope in an arrangement that can be made some time soon amongst adults, the Commonwealth and the states—and I would also include local government—can sit around the table and, in the many ways that I tried to do through the tax summit where we got a bit but we did not get as much as we were chasing, negotiate a modern tax system. We need a tax system that works the efficient taxes a bit harder—those four or five that are doing 90 per cent of the heavy lifting—and that provides a bounty in trade-offs in compliance, productivity, red tape by getting rid of the more than 820 inefficient taxes in this country. What a bounty that would be under a broad umbrella of the 24 per cent tax to GDP.

That sensible conversation is still waiting to happen on a number of fronts. I pick the mining resource rent tax as one example of the failure to have that conversation between the Commonwealth and the states. The opportunity for the future is to get the resource rent tax working harder and to lessen the impact of inefficient royalties in the market. That is the point of the exercise. That was the point of the recommendation from Henry, and that is the unfinished business for whoever has government into the future. It is just one of numerous examples of the need for sustainability in the budget on both the taxing and the spending sides, and there needs to be a more mature conversation about that than the one we seem to have had to date.
Sitting suspended from 13:45 to 15:30

The DEPUTY SPEAKER (Ms Saffin): Firstly, I would like to apologise. If I had known I was on duty, I would have been here. I have been on duty in the other chamber. So sorry you have all been waiting. I call the member for Lyne in continuation.

Mr OAKESHOTT: I will just recap. I was talking about the opportunities in compliance productivity and red tape that still exist for government some time soon under roughly a 23 or 24 per cent tax-to-GDP umbrella of a grown-up conversation across Commonwealth, state and local governments on tax reform. It goes back to the Henry report. There are over 125 taxes in Australia and four or five of them are doing 90 per cent of the work. If we could get everyone together to talk sensibly and put in place a strategy for a modern economy, oh what a bounty on productivity compliance and red tape that would be. The concept of efficient taxes versus inefficient taxes is still not in my view well understood in Australia. You can get a better rate of return on some taxes coming in as compared to others. We should chase the efficient ones and minimise or remove the inefficient ones. That is an exercise that is still waiting to happen.

As far as the budget and the budget-in-reply speeches go, I think there were two great initiatives locked and loaded over the last fortnight. The first is the National Disability Insurance Scheme and the 10-year funding strategy behind it. Both sides of parliament now endorse that process. That is a major reform for Australia. For many families who have people with disability in their household, for carers and for workers in the field the National Disability Insurance Scheme will make an enormous difference. I thank the major parties for their bipartisan support on that initiative.

Likewise what was a welcome surprise in the budget-in-reply was the locking down now of the lift in the tax-free threshold from $6,000 to $18,200. That goes back to a Ken Henry tax reform recommendation, which was through to $25,000 as a tax-free threshold, but the leap when we introduced carbon pricing from $6,000 to $18,200 was a significant tax reform for Australia on its own. It will do a lot for tax administration in this country. In the electorate of Lyne it will remove about 4,000 people from the tax system altogether; it will end the silly game of putting in tax forms to get a nil receipt return and all the burden and compliance that goes with that. Roughly around 4,000 people in my electorate alone, and I imagine other electorates would be similar, are now completely removed from the tax system and everyone earning under $80,000 will also receive a tax benefit of sorts. This is a progressive model where those who are earning the least obviously at the same time are gaining the most benefits from this sensible reform. That this was locked in as well, in that process of the budget and budget-in-reply speeches, I think is a very welcome reform. It moves it up the ranks of reform in this 43rd parliament to one of the standout items for the future.

A couple of things remain challenged and in dispute. These are two very important ones for the electorate of Lyne, and I imagine they are for other electorates, in particular regional electorates. I went around eight community forums last week and very strong messages came back on the principle of equity in two key policy areas. One is the National Broadband Network, the other is the school-based education funding changes. Those two areas combined for regional areas deliver equity at a level that is wanted and needed. I can report, certainly from my community, there is frustration that there seems to be political divide over both of these topics. I would hope, through whatever means available—whether it is letters of
exchange to head offices, as we have seen exposed today, or through any other means—that there can be some sort of coming together on the policy framework around the National Broadband Network, particularly for regional communities, and all the benefits that go with that. I would also hope that there can be a coming together, just as there has been between the Commonwealth and New South Wales, over the importance of school-based funding reform.

I used to work with Adrian Piccoli, who is now the New South Wales education minister, and I can vouch that he is a good man.

Honourable members interjecting—

Mr OAKESHOTT: He is a good man—not only because of the politics of the moment, he also has a fantastic salami day in Griffith. He makes salami with all of his friends. He has delivered a good sausage for education in recognising that regional loadings, loadings for Aboriginality, loadings for poorer families and trying to get a new funding model and breaking what is currently an intolerable link between education outcomes and performance and the funding model itself—he is trying to break that link and make it a tolerable rather than an intolerable one, which I think is a noble effort. It should be protected as an arrangement between the Commonwealth and the states. If we are serious about the language that was in the budget—reply about state sovereignty, then that agreement should be protected and respected. I would encourage other states to get on board with that principle of equity as well.

I did want to pick up on the topic of the day around political donations, as was predicted in jest before I resumed speaking. I think we have just today found a $60 million saving at least in the federal budget. Anyone in the room: we can reach our own agreement with an exchange of letters, maybe, but there is an opportunity there. It would be interesting to hear in reply tonight from the parliamentary secretary or the Treasurer what will happen now—in light of what was obviously a cosy arrangement for the outsourcing of political donation reform between two head offices—from a budget point of view, to what is potentially a saving of between $50 million and $100 million. Clarity around the budget implications of the politics of today is important. Alongside that, there is the question about genuine, real, substantial political donation reform in the interests of every single member in this place: is there is any desire to actually pursue what was agreed to be pursued three years ago? That includes things like $1,000 thresholds and a whole range of other issues contained in the agreement reached on political donation reform.

Today sent me back to look at election disclosures, and it really is treated as a joke by many candidates. I know there is a lot of debate around about the size of donations and whether or not they are true. I just hope the focus in this place does not drift onto political donation scandals, because I went and looked at a whole lot of election disclosures, including that of the candidate for the Nats whom I am up against and whom I ran against last time, and there was just ‘nil, nil, nil’ all away down the page. It is a farce. He is not alone; he is just the example I am using of the disclosure form itself being abused. Every voter in my electorate has no idea of what money came in, what money went out and where it went, despite the fact that everybody knows—they got plenty of newsletters in their mailboxes and they were bombarded on their TVs. There is no accountability trail at all for any voter who wants to see in detail what came in and what went out.

There are ghost employees on the books of private companies in local hospitals who are big donors to the Libs but really working as officials in campaign offices. Is that a donation or
not? Should it be declared or not? In my view, it should be. It has implications for the private company and the local area. Land dealings between private donors and candidates: should they be declared? Yes, there is lots of money involved, and there are potential conflicts of interest, whether real or perceived, involved. But, at the moment, voters are not invited to any consideration of that whatsoever, and it is in all our interests to find a way to start to remove the question marks and have everything on the table in a transparent way. If there is $60 million in the budget that is looking for a home, it may find one in substantial and real political donation reform—as I said, in the interests of all. (Time expired)

Mr RIPOLL (Oxley—Parliamentary Secretary to the Treasurer and Parliamentary Secretary for Small Business) (15:53): I rise to bring the debate on Appropriation Bill (No. 1) 2013-2014 and the cognate bills to a close and I thank those members who made a contribution. These appropriation bills seek authority from the parliament for the expenditure of money from the Consolidated Revenue Fund. The appropriation being sought through these appropriation bills is just over $83 billion.

I would like to highlight some of the proposed appropriations relating to the delivery of the government's commitments. First, there is over $5.5 billion for AusAID, which includes approximately $604 million to provide for Australia's contribution to the International Development Association, which is part of the World Bank. Second, there is over $898 million for the Department of Finance and Deregulation, including approximately $318 million to relocate defence facilities from the Moorebank Intermodal Terminal Project site in Western Sydney to a purpose-built facility at Holsworthy Barracks, and to construct a new facility for the Australian Quarantine and Inspection Service. Third, there is over $871 million for the Department of Infrastructure and Transport, including approximately $383 million for the Roads to Recovery program. Fourth, there is over $722 million for the Department of Agriculture, Fisheries and Forestry, including $210 million to provide concessional loans under the Farm Finance initiative.

Lastly, I point out that Appropriation (Parliamentary Departments) Bill (No. 1) 2013-2014 includes a facility for the Presiding Officers of the parliamentary departments to provide up to $300,000 in urgent appropriation for the Parliamentary Budget Office. This is equivalent to the amount that is available in relation to the urgent requirements of the Department of the Senate and the Department of the House of Representatives. A similar facility for urgent appropriation is provided in Appropriation Bill (No. 1) 2013-2014 and Appropriation Bill (No. 2) 2013-2014 which is available to other government entities at the discretion of the finance minister, and known as the 'Advance to the Finance Minister' or AFM. This provision is unchanged, and I commend the bills to the House.

Question agreed to.

Bill read a second time.

Consideration in Detail

Mr RIPOLL (Oxley—Parliamentary Secretary to the Treasurer and Parliamentary Secretary for Small Business) (15:55): I move:

That consideration in detail of the bill be made an order of the day for the next meeting.

Question agreed to.
BUSINESS

Rearrangement

Mr RIPOLL (Oxley—Parliamentary Secretary to the Treasurer and Parliamentary Secretary for Small Business) (15:55): by leave—I move:

That order of the day Nos 3 and 4, government business, be postponed until the next meeting.

Question agreed to.

CONDOLENCES

Hawke, Mrs Hazel, AO

Debate resumed on the motion:

That the House express its deep regret at the death on 23 May 2013, of Hazel Hawke AO, place on record its appreciation of her long and meritorious public service, and tender its profound sympathy to her family in their bereavement.

Mr CREAN (Hotham) (15:56): I rise to join in this condolence motion for a great Australian, which was moved in the House by the Prime Minister and seconded by the Leader of the Opposition.

Of course, I refer to the sad passing last Thursday of Hazel Hawke. Hazel died of complications from Alzheimer’s following a stroke. At the time there was a collective expression of grief around the country, that this greatly admired and much loved Australian had passed peacefully and surrounded by her family. My thoughts and sympathies are with her children, Sue, Stephen and Ros, and their six grandchildren, David, Paul, Hamish, Sophie, Sam and Ben.

Carole and I have known Hazel for over 40 years. Through her partnership with Bob as ACTU president and subsequently as Prime Minister, and subsequent to their separation, we knew her in many different forms. Hazel was always welcoming and always interested in what you were doing—being strong in the expression of her views in relation to some of the things that we were doing—but always encouraging.

In November 2011 I had the honour of speaking at the launch Sue Pieters-Hawke's book on Hazel, Hazel: My mother’s story, here at Parliament House. I mentioned at the time that whilst in Hazel's condition then she was not able to remember us well, we as a nation would remember her because of what she did. I return to those words today because it is important in remembering Hazel Hawke's life and legacy: what she did, and the qualities and values she brought to doing it.

Hazel was Bob's constant support and, importantly, with the huge demands on his life, became what the family described as 'both mother and father' to the children. So, a devoted mother she certainly was. But when Bob Hawke became Prime Minister she became a hugely admired and respected 'first lady'.

Hazel Hawke once stated that, 'I had the experience of many women; of needing to define myself and to find my self-esteem as a person, not simply as somebody's wife and mother'. And whilst it was in the role of the wife of the Prime Minister that she was cast into the public spotlight and life, Hazel was never simply somebody's wife.

My great friend and colleague Bill Kelty remarked incisively at her passing:
She was the Australian equivalent of Eleanor Roosevelt. History remembers Eleanor Roosevelt not simply as FDR’s wife but as a woman of deep intelligence and great spirit; a connector with the nation. Hazel shared these very same qualities. Both Eleanor and Hazel shared a genuine compassion that compelled them to action, a sense of justice that was pioneering for their times and the capacity to bring people together and relate to them with their own down-to-earth natures. It is the quality of these women that defined and distinguished them. We remember and define Hazel through her values. She had integrity in spades, a quality most Australians admire. It is this quality that defines her.

Hazel Hawke also understood the importance of education, lamenting her early missed opportunities and always urging young and mature age students to better themselves through education. Hazel Hawke famously typed Bob’s thesis that he wrote while a Rhodes scholar, but her own educational achievements are important to mention. Hazel enrolled as a mature age student in welfare studies at the Caulfield-Chisholm Institute of Technology—now Monash University’s Caulfield campus. Her studies were interrupted by Bob’s preselection as the Labor candidate for the seat of Wills—and the current member for Wills is sitting beside me and will be speaking on this condolence motion later. But Hazel’s experience of education broadly gave her a sense of independence and confidence.

As first lady of Australia Hazel had the affection of the nation, an affection that never faded. This was because Australians saw their best selves in Hazel—passionate, courageous, humble and hard working. When Bob led the Labor Party to victory in 1983 Hazel, unable to find a seat in his crowded press conference, sat on the floor. So from those memories with the television cameras of her coming onto the stage poised and sensing the moment, we also saw the other side: the humble and the accessible.

Hazel’s move to the Lodge brought with it many challenges. It brought the scrutiny, the invasiveness and the demands on her time, but as always she rose to every one of those challenges. In 1984 she spoke candidly with journalists in a ‘public confession’ at the National Press Club. She spoke about herself, her life and her own perceived weaknesses and strengths but she voiced too the fears, the hopes and the feelings faced by so many in our community.

Of course, Hazel’s position was extraordinary and one she herself said was an opportunity to do something. Hazel, as the wife of the Prime Minister, was able to advocate for causes close to her and to raise awareness and support through the status that her position as first lady gave. She was in touch and she showed a dedicated awareness of so many issues. She was a magnificent contributor on many of these fronts. She led by example. She not only studied social welfare but worked in the field with the Brotherhood of St Laurence and always advocated for those who were most disadvantaged and overlooked.

Hazel was a great supporter of improving conditions for aged care and of women’s rights. She was an integral member of the Australian Children’s Television Foundation board. She had a great love of the arts and she was an accomplished pianist. At a concert in the Sydney Opera House that she performed in it was clear how much joy music gave her.

With the onset of Alzheimer’s Hazel Hawke turned to seeing the opportunity in this illness—she took advantage of the adversity and promoted it. Perhaps this was most finally clear in the way she responded to that Alzheimer’s diagnosis. The diagnosis led to her—and I again quote her—‘doing her bit’ to raise awareness and support for the prevention of ‘the
bloody A thing’, Hazel's way of referring to the disease. It was a cause that her family championed too.

I mentioned before the book that I was associated with the launch of. Sue wrote two best-selling books and a passionate submission to the Caring for Older Australians Productivity Commission inquiry in 2011, advocating for better care, awareness and support for those suffering from Alzheimer's and dementia. It is timely that we reflect on the needs of older Australians as the House debates legislation on aged care. It is timely then, too, that we reflect on Hazel's words from one of her final public speeches, quoted by Sue at her book launch in 2011. With a central provocation of 'What kind of country do we want Australia to be?' Hazel stated that she was arguing to:

… reassert the place of social policy alongside economic policy in national debate and national priorities, and national and community values … We must look forward, we must seek, we must hope; but we must do this in a spirit of compassion, and with a sense of inclusion. The whole of this nation, in all its diversity, must be on board.

Hazel asked us to think about what this country could be, inspiring Australians to approach their futures creatively and hopefully. We remember Hazel's words and we remember Hazel the woman for the way that she lived her life for 'the whole of this nation'.

As we remember Hazel's legacy and show our condolence and support to the family at this sad time, as a nation it would be a fitting recognition of that memory to advance the cause that she so courageously championed. Having raised awareness of Alzheimer's disease and dementia, we need to respond better on the treatment and the care. It is a challenge for both sides of the parliament. Dementia affects almost 300,000 Australians and their families. It needs a bipartisan response. Hazel's legacy should propel that response. My sympathies to her family.

Mr FRYDENBERG (Kooyong) (16:07): It is my privilege to follow the member for Hotham and that powerful and heartfelt condolence that he extended for Hazel Hawke. I take this opportunity to pay my respects to Hazel Hawke's family on her passing on 23 May this year. Hazel Hawke was one half of a dynamic combination that saw her husband, Bob Hawke, become a very successful Prime Minister in the years from 1983 to 1991. But she was a great woman and a great talent in her own right. We have heard that she was an accomplished pianist and actually played at the Sydney Opera House. She was a patron of the arts. And she was an author, having in 1992 written an autobiography and in 1994 authored a book, A Little Bit of Magic: Thoughts for Women.

As we have heard from the member for Hotham, she suffered, tragically, from Alzheimer's, but she was a great advocate for building awareness of this disease among the wider community. I have great sympathy with sufferers of Alzheimer's and their families, having known many people who have faced that debilitating disease—and Alzheimer's Australia Victoria is in my electorate of Kooyong.

I think of the words of Ita Buttrose, the Australian of the Year, when she described Hazel Hawke:
Hazel Hawke's life was a life to celebrate and one devoted to many causes and especially those Australians who suffered disadvantage.
Hazel embodied a sense of fairness and concern for other Australians. She was the first and only well-known Australian to speak publicly about her life with Alzheimer's disease. Her
courage to speak openly about her dementia journey has left a lasting legacy in raising the profile of Alzheimer's disease and reducing the strong sense of isolation experienced by the thousands of Australians who have dementia. Hazel Hawke was always dignified. Those who knew her well said she was most charming and, of course, she was extremely modest. She had four children, Susan, Stephen, Roslyn and Robert Jnr, who died in 1963.

Regardless of which side of the political divide one comes from, we all come together in this place to pay tribute to fine Australians who have served their country in so many ways. Hazel Hawke is one such person. She will be remembered fondly as someone who was eternally decent, she will be remembered fondly as somebody who thought about helping those less advantaged than her and she will be remembered fondly for being one half of the dynamic political combination which saw Bob Hawke as a respected Prime Minister of this country from the years 1983 to 1991. I take this opportunity to pay my respects to the family, to send my condolences to her friends and to her many friends in the Labor Party and I say thank you to Hazel Hawke for a wonderful contribution to Australia.

Mr KELVIN THOMSON (Wills—Parliamentary Secretary for Trade) (16:11): I am pleased to support the remarks made by the member for Hotham and by the member for Kooyong. From October 1980 to February 1919, when my predecessor as member for Wills the former Prime Minister Bob Hawke represented the Wills electorate, Hazel Hawke captured the hearts and imagination of the constituents of Wills. Hazel Hawke would make the trips to Wills when the Prime Minister could not. She became the Prime Minister's ambassador in his electorate. Hazel would regularly accept invitations by local schools, community and senior citizens groups, as well as special invitations from the local mayors of the then city of Coburg such as the late Murray Gavin, Mr Frank Cox, Mr Athol Attwater, Mr Peter Plumridge, the late Gordon Perlstein and Mr Alan Davis. They all found Hazel an inspirational speaker and a warm guest of honour at any function to which she was invited.

Hazel Hawke was passionate about issues concerning young people like homelessness, which underlined her strong commitment and voluntary work for the Brotherhood of St Laurence for so many years. Hazel spoke out about a number of social issues. About which she felt strongly, particularly women's health issues and, as is well known, displayed great courage in speaking out about Alzheimer's when she was diagnosed with that illness. I personally remember when I was the state member for Pascoe Vale between 1988 and 1996 being very impressed by Hazel's strength of character and the energy she demonstrated when she crammed in a full day's events, such as visiting Saint Monica's Primary School in Moonee Ponds to promote reading among young students, planting trees at Strathmore Secondary College, visiting the Oak Park railway station located opposite my then Pascoe Vale office, to promote local youth artists for a mural project to brighten the underpass of the station and then Hazel spent an afternoon with the children at Coburg Primary School answering questions about what it was like to be the wife of the Prime Minister of Australia.

Hazel attended many locally organised functions by the mayor's wife. There was the late Mrs Amy Gavin, Mrs Clarice Cox, Mrs Verna Attwater, the late Mrs 'Mille' Davis, Beryl Plumridge and the late Margaret Perlstein meeting local women volunteers like my own mother, Dorothy. She thoroughly enjoyed being in Wills promoting awareness of the social issues close to her heart and her deeply held values.
Mimi Tamburrino was Bob Hawke's electorate officer for the 11½ years he was a member and she has been my electorate officer for the past 15 years. She recalls one occasion when Hazel Hawke, after attending the official opening of the Sussex Street Neighbourhood House, made a visit to the electorate office and she was quite overwhelmed by the reception that she received. She said she felt so at home in Wills and that people were so welcoming and approachable. I believe that was because Hazel made anyone she met feel special and important. She respected and valued everyone she met. She went out her way to make them feel important.

Mimi recounted to me her experience with Hazel when, several years before her illness, Hazel rang Mimi to ask whether she could stay over at her place because she did not feel comfortable staying at a hotel. Hazel was visiting a dear friend of hers in Kensington to celebrate an anniversary. Mimi was naturally delighted to have Hazel as a guest overnight and on the following morning she was to drive Hazel to the airport.

She prepared breakfast with a few roses from her garden to grace the dining table and before Hazel came in for breakfast Mimi hunted up her camera—not unreasonably, she wanted a photo of Hazel. She was ordered by her son to put the camera away and not take a photograph. However, after they had breakfast and were getting ready to leave for the airport, Hazel said, 'Hang for a minute, Mimi, before your son goes to school, I would like him to do something for me.' She rummaged through her handbag and fished out a tiny digital camera and, turning to Mimi's son, said, 'Before you go, please take a photo of me and your mum. I want to remember this moment.' Mimi treasures that photograph which Hazel posted to her with a handwritten thankyou note.

On another trip to Melbourne in 1999, Hazel visited Murray Gavin, former Mayor of the City of Coburg, who had had a stroke and for whom Hazel had great respect. Another former mayor, Frank Cox, upon hearing of Hazel's passing, rang my office because he wanted to speak to someone who knew her and he recalled her great affection for the people of Wills. She kept in touch with people in Wills, wanting to know how they were and, even after she was no longer the First Lady, she accepted invitations to the electorate to promote voluntary community work and to present awards and certificates.

Hazel was a people's person who valued and appreciated the work of people in the community. Hazel was an exceptional Australian, a down-to-earth remarkable woman with a great sense of humour and an extraordinary gift for reaching out to people and touching their lives. She was popular, even loved, right around the country. I agree with the words of Susan Ryan, one of the ministers of the Hawke government, who said that Hazel was 'a most remarkable woman. By being one of us, she made Australia a better place'. I think that she was a remarkable woman whose legacy will endure the passing of time, and I extend my sympathies and condolences to her family.

The DEPUTY SPEAKER (Hon. DGH Adams): The debate is adjourned, and the resumption of the debate will be made an order of the day for a later hour this day.
Debate resumed on the motion:
That this bill be now read a second time.

Ms LEY (Farrer) (16:17): I am pleased to speak for the coalition on the second reading on the Asbestos Safety and Eradication Agency Bill 2013. As the mother of an electrician who spends a large part of his days crawling through roofs and therefore encountering asbestos on a daily basis I, like many other Australians, are worried about this issue. I have sought reassurance that the best possible workplace practices are there for my son in his workplace.

We in Australia have the highest reported per capita incidence of asbestos related disease in the world. Mesothelioma and asbestos related cancer will not strike today or tomorrow, but in the 10, 20 or 30 years or even longer after exposure. As the local member in a large rural electorate in western New South Wales, I am aware that there are many communities with old houses and people on low and fixed incomes, people, you would say, who are on the fringes of society. Over the years, I have seen and heard of too many who have passed away because of exposure to asbestos. These are the stories that not only cripple the families and friends but also impact entire communities. While Australia has had a nationwide ban on the production, importation and use of asbestos since 2003, many buildings in Australia still have asbestos or asbestos products within them, which put at risk in particular do-it-yourself home builders and renovators.

So the coalition is very supportive of the Asbestos Management Review and its recommendations. Now that we are fully aware of all of the dangers of asbestos and the effects it has on the people exposed to it, it makes good sense for all sides of politics, and the unions and employers to join together to try to overcome the legacy issues that are clearly out there. These legacy issues will remain with us as a country for another 30 years.

This bill establishes a national agency known as the Asbestos Safety and Eradication Agency, as recommended by the review. Regulation of asbestos issues is a matter for all levels of government in Australia. The prevalence of asbestos in our built and natural environments also means that asbestos regulation spans multiple areas of government, including health, environment, urban planning, and workplace health and safety. The involvement of multiple governments across these diverse areas means that efforts to address asbestos issues have been fragmented and duplicative.

The coalition are strongly supportive of the establishment of this agency and of enacting recommendations to deal with the scourge of asbestos in the community. We have identified a number of issues with this bill, and I recognise that the minister has taken steps to ensure that our concerns are addressed, one being that, despite a clear recommendation from the Asbestos Management Review that all states be involved in the council, the government has restricted membership to include only two representatives from the states and local government. We welcome the minister's decision to expand membership of the council. It is our view that, in order to ensure that the council works well and that all levels of government work together across the country, you do need to have everyone at the table. The one-size-fits-all approach does not always work. We welcome the step in the right direction in the amendments put
forward by the minister, but we do believe it would be advantageous to have everyone at the table. Nonetheless, we recognise the government is taking a step in the right direction. We also support the expansion of the powers of the council so that its deliberations can be broad reaching within the confines of asbestos related issues, and not limited by the minister of the day.

I also point out that the coalition is disappointed that the agency's funding seems to have been cut before it has even been established. On 20 March this year, the minister introduced the Asbestos Safety and Eradication Agency Bill, which pledged in its financial impact statement that the cost to establish the new statutory agency would be $12.3 million over the forward estimates. But in the latest budget, just weeks later, we find the government has introduced legislation and will invest $10½ million over four years to establish the agency. In just six weeks, Labor has cut $1.8 million from its own asbestos regulator, even before it is established. I will invite the minister to explain this cut and detail the services that might not be available as a result. Nonetheless, the coalition strongly supports the bill and the amendments to be moved by the minister.

To conclude, I commend the Australian trade union movement, which has taken a very proactive role in dealing with the issues of the hazards of asbestos. It would be fair to say that, without their active campaigning, things might not have progressed as far as they currently have. I also recognise the minister's willingness to work with the opposition on this bill and the way in which his adviser Simone has worked closely with my colleague in Senator Abetz's office. I commend the bill to the House.

Mr MELHAM (Banks) (16:22): I rise to support the Asbestos Safety and Eradication Agency Bill 2013. The bill provides for the establishment of a national agency, known as the Asbestos Safety and Eradication Agency, as recommended by the Asbestos Management Review report of June 2012. In the time allowed, I do not propose to go through the details of the bill; they are a matter of public record. What I will say is this: asbestos diseases impact on all of us. We have relatives who have been affected, we have friends who have been affected—and it is not just now; it is going to happen well into the future.

We see these home renovation shows on television. Not all of them give the warning that needs to be given: before you bust open a ceiling or a wall, you should check for asbestos. If you do not know what you are doing, that is going to result in asbestos diseases into the future. We need an education program and we need those television shows to give warnings about these matters. My brother is a carpenter. He can build a house from scratch. We have asbestos in our house in Panania and, when he did some stuff to it recently, he covered himself from head to toe, because he understood what he had to deal with.

That is true in the suburbs that I represent in south-western Sydney, in Hurstville and the Bankstown region along the Georges River, because those fibro houses all contain asbestos. The club of which I am proud to be president, the Revesby Workers Club, has 57,000 members spread around the region, and many of them have been affected by asbestos. Indeed, the immediate past president of the Revesby Workers Club, Pat Rogan, a former state member for East Hills, has recently been diagnosed with asbestos on the lung. My club, in celebrating its 50th anniversary last year, had a book commissioned. It cost us $68; we are selling it at $20 a copy. All that money is going to the Asbestos Diseases Foundation of Australia, a
voluntary organisation that specialises in raising awareness in this area. To date we have raised $10,000 for that organisation.

Beyond that, I was invited to an open day and morning tea at Concord by Armando Gardiman, a friend of mine who is a partner in Turner Freeman, to look at the Asbestos Diseases Research Institute at Concord. Armando helped set that institute up. He got a government grant, but it has not had any government grants, as I understand it, since it was formed. It has basically been relying on grants from community organisations, and I know that my club—I can give this assurance to the House—will be doing something in relation to giving money to this research institute. And I know that the research that has been undertaken, which we were briefed on and on which we were asked to maintain confidentiality—they are doing very, very good work.

I said we were personally affected, all of us if we research it. I lost a first cousin 18 months ago to asbestos. He was 33 years of age. His father was an electrician working in the Snowy Mountains area when my cousin was a baby. My cousin played with his father's clothes when his father came home. This is the way he was diagnosed: he was at a basketball game in January or February and he was hit in the stomach with a basketball and suffered great pain. It took a number of months to finally find out what was wrong with him. He was in the final stages, but he had a 15-hour operation and he died from an infection. I say that because it was not just that death that made me aware of asbestos. What that event did was shock me as to how easy it is to get a disease, even at a young age. Normally it is in the older stages of a person's life, because they have been an electrician et cetera, that they suffer from this disease. What we have found over time is that women, wives, have been affected as well.

What is pleasing about this is that both sides of the House are supporting this bill. It is the responsibility of government to assist in these areas, to facilitate. You do not need to be personally affected. And I know the minister at the table, the member for Maribyrnong, has been passionate about this because he has had knowledge of this insidious thing for a long, long time. I have met with people, just ordinary tradespeople. This is not going away; it is actually going to get worse over time. We found out today in parliament about the situation in relation to the rolling out of the NBN and asbestos in Telstra pits. This stuff is everywhere because we did not know about it at the time, and it has been rolled out. It is a time bomb ticking in relation to any citizen. That is why I opened my remarks by cautioning these home renovators—you know, do-it-yourself renovations that are basically not bad ratings on television but have the potential to encourage people to engage in behaviour that could subsequently affect them and their health.

We cannot stop this happening if we do nothing. We are on notice as to how someone can be impacted in relation to asbestos, and that is why I say to the House: this is a good bill to support and send the right message unanimously to whoever is in government and to ensure that we actually build on this. We have an obligation to try to educate and to protect our citizens. No matter how much we are affected or that we know someone who has been affected, there are people out there who are unknowingly walking around with this danger. It is like walking on a landmine in relation to this stuff.

I do commend the bill to the House. I am pleased it has cross-party support, as it should. I do not think that was ever in doubt, in fairness. I see that the member for Riverina has just given me $20 to purchase a copy of the book. Of course, I have a book which I will give you,
and I am happy to do it for other members. It is not a bad read, by the way, about the local community. The more important thing is not just its history but the fact that, with a bit of money towards research, we can be confident that we will find a way to stop this thing from growing inside people's bodies. The real key is to try and stop the growth of this disease, to get the research to the stage where it can be stopped. I am quietly confident that, with the professionalism of the people at Concord, we will lead the world in treating this disease. St George Hospital is one of the finest hospitals in the world for assisting people who are diagnosed with this disease. I commend the bill to the House.

Mr SHORTEN (Maribyrnong—Minister for Financial Services and Superannuation and Minister for Employment and Workplace Relations) (16:31): I thank the member for Banks for his contribution and, indeed the member for Farrer's contribution before that, which I had the privilege to listen to. I acknowledge the honourable members for their contributions on this important debate about the Asbestos Safety and Eradication Agency Bill 2013.

I think it is moments like this, with cross-party support, when we hit a high note in the performance of the parliament. Whilst it might not attract the same degree of media attention, it should give some optimism to Australians who expect that parliamentarians will set aside differences in the greater interest of the nation—which I think they do more often than is recognised. This bill is certainly the beneficiary of that attitude. This bill delivers on the government's commitment to introduce legislation to implement the key recommendations of the Asbestos Management Review, ensuring that the health and safety of our citizens is a fundamental role of government and this parliament.

Asbestos is a clear and present danger to workers, to tradespeople, to our domestic and public safety, to home renovators and to the families of people who may risk exposure to asbestos fibres. There is no safe level of exposure to asbestos. Asbestos is arguably the worst industrial menace that we have seen, and it will go on killing for decades. Recent incidents of potential asbestos exposure from materials containing asbestos in Telstra pits demonstrate very clearly why we do need a national approach to asbestos awareness handling and eradication and that this need is urgent.

It has been almost a decade since asbestos was banned in this country, and still we see the dangers of this silent killer remain. Based upon International Labour Organization figures, every five minutes someone around the world will die of an asbestos related disease. This bill is an appropriate and significant step by Australia to become the first nation to progress towards the ultimate elimination of asbestos related diseases. Our aim, our goal, our aspiration and our ambition should be to remove the menace once and for all and to do it over time by working with local, state and territory governments, industry, unions and community. We are working to rid the legacy of 50 years of asbestos use—a substance which we must acknowledge was known to some to be deadly all those decades ago—by miners, workers, tradespeople and householders. We sadly lead the world in per capita mesothelioma rates. Now we have the chance to lead by action.

Until the Gillard government established the Asbestos Management Review in 2010, there had been up to that date no coordinated or consistent national approach to handling asbestos beyond our workplaces. The review made it clear that we must act quickly to prevent Australians from being further exposed to asbestos. We must diminish and prevent that third
wave of asbestos deaths which the member for Banks referred to, particularly as a result of people exposed to asbestos in their homes as they renovate.

To do so, the review recommended the development of a new national plan for action on asbestos eradication awareness and handling. The review also recommended that a new asbestos agency be established to have responsibility for coordinating and implementing the national plan. The establishment of a new agency is an essential part of the Labor government's commitment to reduce exposure to asbestos. It will pave the way for a national approach to asbestos eradication awareness and management in Australia by taking responsibility for coordinating a national plan of action.

I can inform members of the House that since the bill was introduced the Office of Asbestos Safety has been working with government counterparts and community partners to develop a national strategic plan for asbestos management and awareness. This first plan is ideally due by 1 July this year.

Also since the introduction of the bill, the government has continued to listen to and to consult with various stakeholders, including state, territory and local government representatives and union and industry representatives regarding the provision of the bill, and also with victims groups and the families of victims. The government has also taken careful note of the issues considered by the Senate Education, Employment and Workplace Relations Committee in its report of May 2013.

It is worth reiterating for the benefit of the House what this bill provides. It will establish the asbestos safety and eradication agency as an independent body—it will be comprised of a chief executive officer supported by staff—and an asbestos safety and eradication council made up of representatives with expertise in asbestos safety. The new agency will ensure asbestos issues receive the attention needed for a coordinated national approach. The functions of the new agency will include advocacy, coordination and monitoring and reporting on the implementation of the national strategic plan. It will review and amend the national strategic plan as required by the plan or at the request of the minister and it will provide advice to the minister about asbestos safety.

I want to flag for the benefit of members that the government will shortly move a number of agreed amendments to the bill. These are designed to ensure that the bill better aligns with the recommendations of the Senate inquiry and the Asbestos Management Review, and that the agency operates as intended. The amendments take into account the feedback the government has received from governments and stakeholders.

The amendments that the government will move fall into four categories. The government proposes an amendment to provide for an object for the bill. The object will be to establish the agency to administer the national strategic plan, which has as its aim:

… to prevent exposure to asbestos fibres in order to eliminate asbestos-related disease in Australia.

The government will also propose a new section to provide for a detailed definition of the national strategic plan, setting out its aims and providing further detail as to its priorities.

The government proposes amendments regarding the council, including one to ensure the council has appropriate representation by increasing the number of representatives of state, territory and local governments from two to four, and providing for representation by national bodies that represent employers and workers respectively.
There will also be a small number of minor technical consequential amendments, including one that would allow the CEO of the agency to delegate their functions.

In conclusion, this bill establishes the first nationally coordinated approach to handling asbestos beyond our workplaces. It gives effect to the key recommendations of the asbestos management review, putting measures in place to prevent further Australians being exposed to deadly asbestos fibres.

Let me once again remind the House that this is an issue for all levels of government to tackle. It is an issue that has been championed by unions, by individuals and by families touched by asbestos-related diseases, by asbestos advocacy groups, by the lawyers representing victims, by health and safety activists and specialists, by some crusading journalists and, indeed, by many of my colleagues here in parliament, on both sides of politics. To them I again say thank you, and I commend this bill to the House.

Question agreed to.

Bill read a second time.

Consideration in Detail

Bill—by leave—taken as a whole.

Mr SHORTEN (Maribyrnong—Minister for Financial Services and Superannuation and Minister for Employment and Workplace Relations) (16:39): by leave—I present a supplementary explanatory memorandum to the bill and move government amendments (1) to (24) together:

(1) Page 2 (after line 12), after clause 2, insert:

2A Object of this Act

The object of this Act is to establish the Asbestos Safety and Eradication Agency to administer the National Strategic Plan, which aims to prevent exposure to asbestos fibres in order to eliminate asbestos-related disease in Australia.

(2) Clause 3, page 2 (line 18), after "asbestos awareness", insert ", education and information sharing.".

(3) Clause 3, page 3 (lines 8 and 9), omit the definition of National Strategic Plan, substitute:

National Strategic Plan has the meaning given by section 5A.

(4) Page 3 (after line 16), after Part 1, insert:

Part 1A—National Strategic Plan

5A National Strategic Plan

The National Strategic Plan means the plan that:

(a) is known as the National Strategic Plan for Asbestos Management and Awareness; and

(b) aims to prevent exposure to asbestos fibres in order to eliminate asbestos-related disease in Australia; and

(c) addresses the following priority areas:

(i) the systematic identification of material containing asbestos in the built environment and of asbestos dump sites;

(ii) systems, timelines and processes for the prioritised safe removal of material containing asbestos from public and commercial buildings and the safe disposal of such material;

(iii) measures to assist the residential sector to minimise the risks of asbestos, including raising awareness, education and mechanisms for identifying and classifying risks associated with asbestos;
(iv) improving education and information about asbestos;
(v) improving asbestos safety;
(vi) improving the sharing of information about asbestos and asbestos safety; and
(d) deals with any other relevant matters.
(5) Clause 12, page 7 (lines 13 and 14), omit "advice, makes recommendations or issues guidelines", substitute "advice or makes recommendations".
(6) Clause 12, page 7 (line 16), omit "or guidelines".
(7) Clause 12, page 7 (after line 16), after subclause (1), insert:
   (1A) The CEO must comply with any guidelines issued by the Asbestos Safety and Eradication Council under section 29.
   (1B) Subsection (1A) does not apply to the extent that:
       (a) compliance with the guidelines would be inconsistent with the CEO's performance of functions or exercise of powers under the Financial Management and Accountability Act 1997 in relation to the Agency; or
       (b) the guidelines relate to the CEO's performance of functions or exercise of powers under the Public Service Act 1999 in relation to the Agency.
(8) Page 11 (after line 31), at the end of Division 3, add:

23A Delegation
(1) The CEO may, in writing, delegate all or any of the CEO's functions or powers to a person who is a member of the staff of the Agency.
(2) In exercising any powers or performing any functions under the delegation, the delegate must comply with any directions of the CEO.
(9) Clause 29, page 14 (lines 12 and 13), omit "asbestos safety, if requested to do so by the Minister.", substitute "asbestos safety; and".
(10) Clause 29, page 14 (after line 13), at the end of subclause (1), add:
   (c) to monitor the implementation of the National Strategic Plan by Commonwealth, State, Territory and local governments; and
   (d) to provide advice, and make recommendations, about the National Strategic Plan and annual operational plans.
(11) Clause 29, page 14 (after line 16), after subclause (2), insert:
   (2A) The Asbestos Safety and Eradication Council must not issue guidelines that are inconsistent with any directions given under section 14 (Minister's directions to CEO).
   (2B) Any guidelines that are inconsistent with a direction of the kind referred to in subsection (2A) have no effect to the extent of the inconsistency.
(13) Page 15 (after line 5), at the end of Division 1, add:

30A Committees
(1) The Asbestos Safety and Eradication Council may, by writing, establish committees to assist the Council in the performance of its functions.
(2) A committee is to consist of such persons as the Asbestos Safety and Eradication Council determines.
(3) If the Asbestos Safety and Eradication Council establishes a committee under subsection (1), the Council must, in writing, determine:
(a) the committee's terms of reference; and
(b) the terms and conditions of appointment of the members of the committee; and
(c) the procedures to be followed by the committee.

(4) An instrument made under subsection (1) or (3) is not a legislative instrument.

(14) Clause 31, page 16 (lines 7 to 9), omit paragraphs (c) and (d), substitute:
   (c) 4 members representing State, Territory and local governments; and
   (d) 1 member representing the interests of workers in Australia; and
   (e) 1 member representing the interests of employers in Australia; and
   (f) 2 other members.

(15) Clause 32, page 16 (after line 18), after paragraph (2)(c), insert:
   (ca) the member representing the interests of workers in Australia; or
   (cb) the member representing the interests of employers in Australia; or

(16) Clause 32, page 16 (line 21), omit "31(a) or (d)"; substitute "31(a), (d), (e) or (f)".

(17) Clause 32, page 16 (after line 30), at the end of the clause, add:
   (4) A person is eligible for appointment as a Council member under paragraph 31(d) only if:
      (a) the person has been nominated for the appointment by an authorised worker body; and
      (b) the Minister agrees to the person being appointed.

   (5) If an authorised worker body nominates a person but the Minister does not agree to the person
       being appointed, an authorised worker body (which may be the same or a different body) may
       nominate another person for the appointment.

   (6) The Minister may authorise a body for the purposes of subsections (4) and (5) if the Minister
       considers that the body represents the interests of workers in Australia. If the Minister does so, the body
       is an authorised worker body.

   (7) A person is eligible for appointment as a Council member under paragraph 31(e) only if:
       (a) the person has been nominated for the appointment by an authorised employer body; and
       (b) the Minister agrees to the person being appointed.

   (8) If an authorised employer body nominates a person but the Minister does not agree to the person
       being appointed, an authorised employer body (which may be the same or a different body) may
       nominate another person for the appointment.

   (9) The Minister may authorise a body for the purposes of subsections (7) and (8) if the Minister
       considers that the body represents the interests of employers in Australia. If the Minister does so, the
       body is an authorised employer body.

(18) Clause 37, page 20 (after line 17), at the end of the clause, add:
   (4) The Council member:
      (a) must not be present during any deliberation by the Council on the matter; and
      (b) must not take part in any decision of the Council with respect to the matter.

(19) Heading to Division 4, page 22 (line 1), omit "Meetings of", substitute "Procedures of".

(20) Page 22 (after line 10), at the end of Division 4, add:

41A Quorum

(1) At a meeting of the Asbestos Safety and Eradication Council, a quorum is constituted by:
(a) 2 members appointed under paragraph 31(c) (members representing State, Territory and local governments); and
(b) any 4 other Council members.

(2) However, if:
(a) a member is required by section 37 not to be present during the deliberations or to take part in any decision of the Asbestos Safety and Eradication Council with respect to a particular matter; and
(b) when the member leaves the meeting concerned, there is no longer a quorum present;
the remaining Council members at the meeting constitute a quorum for the purposes of any deliberation or decision at that meeting with respect to that matter.

(21) Page 22, at the end of Division 4 (after proposed section 41A), add:

41B Voting at meetings

(1) A question arising at a meeting of the Asbestos Safety and Eradication Council is to be determined by a majority of the votes of the Council members present and voting.

(2) The person presiding at a meeting has:
(a) a deliberative vote; and
(b) if necessary, also a casting vote.

(22) Page 22, at the end of Division 4 (after proposed section 41B), add:

41C Minutes

The Asbestos Safety and Eradication Council must keep minutes of its meetings.

(23) Page 22, at the end of Division 4 (after proposed section 41C), add:

41D Conduct of meetings

The Asbestos Safety and Eradication Council may regulate proceedings at its meetings as it considers appropriate.

Note: Section 33B of the Acts Interpretation Act 1901 contains further information about the ways in which Council members may participate in meetings.

(24) Page 22, at the end of Division 4 (after proposed section 41D), add:

41E Decisions without meetings

(1) The Asbestos Safety and Eradication Council is taken to have made a decision at a meeting if:
(a) without meeting, a majority of the Council members entitled to vote on the proposed decision indicate agreement with the decision; and
(b) that agreement is indicated in accordance with the method determined by the Council under subsection (2); and
(c) all the Council members were informed of the proposed decision, or reasonable efforts were made to inform all the members of the proposed decision.

(2) Subsection (1) applies only if the Asbestos Safety and Eradication Council:
(a) has determined that it may make decisions of that kind without meeting; and
(b) has determined the method by which Council members are to indicate agreement with proposed decisions.

(3) For the purposes of paragraph (1)(a), a Council member is not entitled to vote on a proposed decision if the member would not have been entitled to vote on that proposal if the matter had been considered at a meeting of the Council.
The Asbestos Safety and Eradication Council must keep a record of decisions made in accordance with this section.

Bill, as amended, agreed to.

Ordered that this bill be reported to the House with amendments.

CONDOLENCES

Hawke, Ms Hazel, AO

Debate resumed on the motion:

That the House express its deep regret at the death on 23 May 2013, of Hazel Hawke AO, place on record its appreciation of her long and meritorious public service, and tender its profound sympathy to her family in their bereavement.

Mrs ANDREWS (McPherson) (16:40): I rise to speak on the condolence motion for Hazel Hawke and to reflect on the legacy that she has left this country. Born Hazel Masterton on 20 July 1929 in Perth, it was clear from a young age that this was a person who was not going to miss one moment of life. From an early age, she filled her life with charitable acts and spent many hours honing her piano skills, which eventually paid off, as she became an extremely accomplished pianist, even playing as a soloist with the Sydney Symphony Orchestra. Hazel met her future husband, Bob, in Perth. They married on 3 March 1956 and had four children together.

She was a passionate woman who was actively involved in many areas of the community, and in June 2001 she was appointed an Officer of the Order of Australia. The citation given for her appointment speaks volumes about the work she has done in a variety of fields, including in reconciliation, the arts and environmental care. Sadly, it was also in 2001 that she was diagnosed as suffering from Alzheimer's disease.

Even though Hazel had been diagnosed with this debilitating disease, it did not stop her from continuing her work. She became a public figure in supporting Alzheimer's sufferers and established the Hazel Hawke Alzheimer's Research and Care Fund, together with Alzheimer's Australia, which I am sure will be seen as a legacy to her fortitude. Perhaps Hazel Hawke's legacy can be summed up through her own words:

… I can help to promote openness, awareness and support for all people living with dementia. No illness should carry a negative label. None of us is immune.

The fact that Alzheimer's is now more widely talked about and discussed at home, at work and in the community is testimony to the work that Hazel has done.

Alzheimer's disease is a particularly sad and debilitating form of dementia that takes hold of our mental wellbeing, which is something that many of us take for granted. It slowly affects the sufferer, taking away their memories, their intellect and their social skills, essentially disintegrating the individual's personality before heralding a decline in their physical functionality.

Worryingly, dementia rates are expected to rise significantly into the future, with the prevalence of dementia in Queensland for each decade between 2011 and 2050 expected to increase faster than the state's population rate. To highlight the significance of this number, there are currently 2,700 people with dementia on the Gold Coast, but by 2050 this number is expected to rise to 15,700.
The best way to tackle dementia is by receiving an early diagnosis, which is made largely possible through heightened awareness of the disease. At the forefront of this charge is Alzheimer's Australia, and I have spoken in the past about their numerous awareness campaigns and their fundraising for research. They have a highly dedicated team, and I wish to once again thank them for the work that they are doing across the country.

Hazel Hawke was an inspiration to many people, and I know that her legacy will continue through the many fields she gave her time to. Her fight with Alzheimer's disease, although heartbreaking, reinforced the need for better awareness, and her work in promoting awareness has undoubtedly left countless Australians in a better position. This is a legacy that I am sure she would be proud of. I offer my sincere condolences to Hazel's family and friends at this time.

Mr McCormack (Riverina) (16:44): Hazel Hawke, as members in this place have so eloquently articulated, was more than the wife of Australia's 23rd Prime Minister, Bob. She was a woman of undeniable strength and tenacity whose ability to raise her family and be, as her children described, 'both a mother and a father' whilst also maintaining a very public persona and a passion for equality will be remembered for years to come. As the member for McPherson just noted, her legacy will live on. Born Hazel Masterson on 20 July 1929 in Perth, Hazel's intelligence, dedication and passion for the arts was on display at a very early age. At her local parish church she met her future husband and the man who was to be Labor's longest serving Prime Minister. Hazel and Bob married on 3 March 1956, and Hazel assumed the role of a loving wife and mother who supported her ambitious husband as he assumed the presidency of the Australian Council of Trade Unions and later as a distinguished member of this House and Prime Minister. Bob's career was such that he was away from home very frequently and often for long periods. This is something to which I am sure we will all be able to relate, but Hazel's loyalty to her husband and family was unfaltering. As the member for Hotham noted, she even typed Bob's thesis while he was studying as part of his Rhodes scholarship.

In her own right, Hazel was an extraordinary individual. She was an accomplished concert pianist who played at the Sydney Opera House and whose singalongs often entertained the press corps and foreign dignitaries on the Prime Minister's international trips. Further to this, Hazel was a passionate advocate on social issues. Whether those issues were feminism, the arts or mental health, community advocacy was her passion. No-one will forget her tireless and brave campaigning on Alzheimer's disease and dementia. In her typical style, Hazel did not let her affliction deter her. Rather, when learning of her diagnosis she said, using that familiar Aussie term, 'bugger' to describe her disappointment. One of her greatest regrets was losing her driver's licence.

In trying to make a suitable tribute to Hazel, I thought I would go to country Labor's local representatives in my electorate. I spoke to Glenn Elliott Rudder, who is the president of the Wagga Wagga branch, and he certainly extended his condolences to Hazel's family and to Bob. He described her as a strong role model throughout her life. He said that she did it very tough, not only being from such a public family, but also the fact that she was expected to look after the kids and to raise them in the times her husband was frequently absent. He said she was a person in her own right and she certainly led the way. She was a great role model in those difficult days of the 1970s and 80s, when women's rights were really being extended.
and when women were not prepared to stay at home but were forging their own way in the world. She was a great exemplary model for women during those years.

Peter Knox, who is the senior vice president and publicity officer for the Griffith branch of country Labor, talked about Hazel's championing of Australian content on Australian television and he was fondly reminiscent of how she championed the cause of more Aussie programs on our own television stations rather than the some of the foreign content that we so often get. He also talked about Hazel as a role model to others. I also liked the tweet of my colleague Barnaby Joyce. He probably best described Hazel as having the warmth and familiarity of an everyday mum—somebody we could relate to. That best described Hazel. She was certainly up there as the first lady of Australia—the wife of the Prime Minister. Everybody knew her in that role, but, as Barnaby put it, she had the warmth and familiarity of our own mums. Vale, Hazel Hawke. May she rest in peace.

Ms GAMBARO (Brisbane) (16:48): I rise to speak on this motion of condolence for Hazel Hawke AO and to support the very fine words of other members, including the member for McPherson, the member for Riverina and the member for Hotham, who have paid respect to her and have honoured her life.

We are here today to reflect on the life and contribution of a truly remarkable and inspirational Australian. She was a respected member of Australian society who influenced political opinion more so than many elected representatives. Hazel Hawke AO was born on 20 July 1929 and was the first wife of Hon. Bob Hawke, the former Prime Minister of Australia. However, what we witnessed with Hazel Hawke was her ability to step out from behind the personality and shadow of her then husband and create and forge her own very special identity. Those of us in this place know only too well the pressure and the neglect that is placed on our spouses and families with the demands placed upon us as elected representatives. However, we can only imagine how it would be magnified for the families of prime ministers and national leaders. And in that capacity, Hazel Hawke became a role model for others in similar situations.

As Bob Hawke said in a statement after her passing:

She was more than a wife and mother, being father as well, during my frequent absences as I pursued an industrial then political career.

I also note Hazel's passion in the earlier part of her life for women's issues and her role as a prominent supporter of the pro-choice movement and an advocate for women's rights and HIV-AIDS, particularly when it was not particularly popular to hold those views. Her influence on health policy through her husband during the years of his Prime Ministership was hugely significant. She is also remembered as an excellent pianist and a patron of the arts.

However, the most well-known aspect of Hazel Hawke's public passions was clearly her advocacy for Alzheimer's sufferers and research. As some of us well remember, she revealed that she was battling with Alzheimer's disease in a 2003 episode of *Australian Story*. She went on to become one of the country's most prominent campaigners for mental health awareness. As co-chair of the parliamentary friends of Alzheimer's group, I enormously appreciate the work that she and her family are continuing, including the work that enabled her great work in setting up her own foundation to raise funds for Alzheimer's research. As her good friend Wendy McCarthy wrote in an article on The Drum about her battle with Alzheimer's:
She so hated having it, but decided if it was in the public interest and might do some good, she would speak out.

The former Lord Mayor of Brisbane Sally-Anne Atkinson had numerous dealings with Hazel Hawke and said that her legacy will be her advocacy for dementia sufferers and research, but that should not overshadow the fact that she was a strong woman in her own right.

I was particularly moved by some of the comments by her family and her friends in the print media during the days after her passing. They wrote with such beautiful words and compassion for the mother, grandmother and friend that they so loved. One thing that has become increasingly evident during the past few days is that everyone who knew and was close to Hazel Hawke cherished and respected her and held her in the highest regard. Sometimes in life there are individuals whose contribution to our society demands universal admiration and respect. Hazel Hawke was one of those individuals, and I join in adding my support to this motion. I express my sincere condolences to Hazel's family and friends for their loss, especially to her remaining children, Susan, Stephen and Roslyn, who have been so steadfast. Our nation is saddened at Hazel's passing, but we are richer for the life she was generous enough to share with us all.

Debate adjourned.

**ADJOURNMENT**

Mr MITCHELL (McEwen—Government Whip) (16:53): I move:

That the Federation Chamber do now adjourn.

Question agreed to.

Federation Chamber adjourned at 16:54
Mr Fletcher asked the Minister for Health, in writing, on 14 May 2013:

In respect of the capital adequacy requirements applying to Medibank Private from the beginning of 2011, (a) what are the applicable standards, (b) what examination has the Private Health Insurance Administration Council (PHIAC) and the Government undertaken to ensure that the requirements in part (a) have been met, (c) have the capital adequacy requirements been met, and (d) what was the impact on Medibank Private's capital adequacy requirement of the special dividend of $300 million that was paid to the Government on 15 June 2011.

Ms Plibersek: The answer to the honourable member's question is as follows:

(a) The applicable standards are specified in Schedule 3 of the Private Health Insurance (Health Benefits Fund Administration) Rules 2007.

(b) Compliance is assessed quarterly and annually via an audited annual return.

(c) Yes.

(d) Nil.