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SITTING DAYS—2012

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FORTY-THIRD PARLIAMENT
FIRST SESSION—SIXTH PERIOD

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

House of Representatives Office holders

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

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

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

Party Leaders and Whips

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

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

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

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<td>Washer, Malcolm James</td>
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<td>Wilkie, Andrew Damien</td>
<td>Denison, TAS</td>
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<td>Windsor, Anthony Harold Curties</td>
<td>New England, NSW</td>
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<td>Wyatt, Kenneth George</td>
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<td>Zappia, Tony</td>
<td>Makin, SA</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
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<td>Senator the Hon Stephen Conroy</td>
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<tr>
<td><strong>Minister for Social Inclusion</strong></td>
<td>The Hon Mark Butler MP</td>
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<td><strong>Minister Assisting the Prime Minister on Mental Health Reform</strong></td>
<td>The Hon Mark Butler MP</td>
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<tr>
<td><strong>Minister for the Public Service and Integrity</strong></td>
<td>The Hon Gary Gray AO MP</td>
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<tr>
<td><strong>Minister Assisting the Prime Minister on the Centenary of ANZAC</strong></td>
<td>The Hon Warren Snowdon MP</td>
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<tr>
<td><strong>Cabinet Secretary</strong></td>
<td>The Hon Mark Dreyfus QC MP</td>
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<tr>
<td><strong>Parliamentary Secretary to the Prime Minister</strong></td>
<td>Senator the Hon Jan Mclucas</td>
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<tr>
<td><strong>Treasurer</strong></td>
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<td>The Hon Bill Shorten MP</td>
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<td>The Hon Brendan O'Connor MP</td>
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<td><strong>Minister Assisting for Industry and Innovation</strong></td>
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<tr>
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<td>The Hon Sharon Bird MP</td>
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<td>The Hon Tony Burke MP</td>
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<td>The Hon Tony Abbott MP</td>
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<td>Mr Darren Chester MP</td>
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<td>The Hon Sussan Ley MP</td>
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<td>Shadow Assistant Treasurer and Shadow Minister for Financial Services and Superannuation</td>
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<tr>
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<td>Senator the Hon Ian Macdonald</td>
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<tr>
<td>Shadow Parliamentary Secretary for Local Government</td>
<td>Mr Don Randall MP</td>
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<tr>
<td>Shadow Parliamentary Secretary for the Murray-Darling Basin</td>
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<tr>
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Wednesday, 27 June 2012

The SPEAKER (Hon. AE Burke) took the chair at 9:00, made an acknowledgement of country and read prayers.

BILLs

Fair Work (Registered Organisations) Amendment Bill 2012
Social Security and Other Legislation Amendment (2012 Budget and Other Measures) Bill 2012
Water Efficiency Labelling and Standards Amendment (Scheme Enhancements) Bill 2012

Returned from Senate

Message received from the Senate returning the bills without amendment or request.

Maritime Legislation Amendment Bill 2012

First Reading

Bill and explanatory memorandum presented by Minister Albanese.

Bill read a first time.

Second Reading

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (09:02): I move:

That this bill be now read a second time.

In the past month the government has introduced into this parliament a suite of bills that represents the most significant overhaul of Australia's maritime industry since its establishment in 1912.

We have introduced the national law bill to establish a single national marine safety regulator in Australia and the Navigation Bill that modernises the 100-year-old Navigation Act.

I also had the great pleasure to introduce the government's Stronger Shipping for a Stronger Economy legislative reforms.

These reforms became law last Thursday and from 1 July commence the vital work of revitalising Australia's shipping industry.

This government has also amassed a substantial body of work in protecting Australia's precious marine environment.

In this parliament alone, we have increased penalties for the discharge of oil or oil residues by ships in Australian waters from $220,000 to $11 million; banned the carriage or use of heavy grade oils on ships in the Antarctic area, legislated practices for ship-to-ship transfers of oil carried as cargo and implemented incremental changes to the maximum sulphur level of marine fuel oil.

This bill continues the government's commitment to our marine environments.


As a government, it is our duty to ensure that our laws for prevention of marine pollution are adequate, up to date and consistent with international law.

The International Maritime Organisation has adopted a number of conventions which are intended to reduce pollution by ships.

The most important of these conventions is the International Convention for the Prevention of Pollution from Ships which is generally referred to as MARPOL.

MARPOL has six technical annexes which deal with different aspects of marine pollution.

These are pollution by oil, noxious liquid substances in bulk, harmful substances
carried by sea in packaged form, sewage, garbage and air pollution.

About 150 countries have adopted at least some of these annexes.

Australia has adopted all six.

In July 2011 the Marine Environment Protection Committee of the International Maritime Organisation adopted amendments to Annex IV, V and VI of MARPOL.

The main purpose of this bill is to implement those amendments in Australia.

The amendments to MARPOL, which will enter into force internationally on 1 January 2013, will:

- restrict the discharge of sewage from passenger ships in special areas;
- revise requirements relating to the disposal of garbage at sea;
- make mandatory the Energy Efficiency Design Index for new ships of 400 gross tonnage and above built on or after 1 January 2013 for international trade, and
- make mandatory the Ship Energy Efficiency Management Plan from that date for all ships of 400 gross tonnage and above that are engaged in international trade.

This bill will also clarify the application of roll-back provisions in Australia's territorial sea to clarify application of offences committed outside the three-nautical-mile limit.

In addition, the bill will repeal the Stevedoring Levy (Imposition) Act 1998 and the Stevedoring Levy (Collection) Act 1998 which relate to the former stevedoring levy.

Payment of the stevedoring levy in accordance with the two acts ceased in May 2006 and the two acts are no longer of any effect.

Since coming to power in 2007 this government has significantly improved the protection of Australia's marine environment.

This bill continues that work, and I commend the bill to the House.

Debate adjourned.

Transport Safety Investigation Amendment Bill 2012

First Reading

Bill and explanatory memorandum presented by Mr Albanese.

Bill read a first time.

Second Reading

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (09:07): I move:

That this bill be now read a second time.

The Gillard government is driving historic reforms in infrastructure and transport in Australia.

From 2013, maritime safety, rail safety and heavy vehicles will, for the first time, have nationally consistent laws.

This will cut the number of transport regulators operating across Australia from 23 to three, producing a benefit for the economy of $30 billion over 20 years.

This reform will improve safety, simplify the compliance task for transport operators and boost national income.

The Transport Safety Investigation Amendment Bill 2012 supports the creation of a national rail safety regulator by empowering the Australian Transport Safety Bureau to conduct investigations in all jurisdictions; including, importantly, extending its rail investigation function to metropolitan railway lines.

This bill and the rail safety national law, passed by the South Australian parliament in May this year, replaces seven separate
regulatory authorities, 46 pieces of state/territory and Commonwealth legislation, including seven rail safety acts, nine occupational health and safety acts, and seven dangerous goods acts.

In 2009 the Council of Australian Governments agreed to a national approach in regulating the safety of rail.

Three years of hard work, by all jurisdictions and industry stakeholders has delivered this historic reform.

By 1 January 2013 the national rail safety regulator will be in place, established through complementary state and territory legislation, and the ATSB's existing investigation coverage will extend to match that of the regulator.

Rail reform fixes the history of inconsistent regulatory and investigation practices between the states and territories that has constrained productivity in rail transport across jurisdictional borders.

Since 2003 the ATSB has had rail safety investigation functions and powers under the Transport Safety Investigation Act 2003.

However, until now the ATSB has been confined to investigating occurrences involving interstate rail travel.

The ATSB has limited the use of its powers on an understanding reached with the states.

This bill changes that.

For the first time, the ATSB will have responsibility for investigations on the critical metropolitan passenger and freight rail networks.

There will be more investigations across a greater range of safety matters.

In carrying out its function, the ATSB's statutory independence from the regulator and industry will be preserved.

The ATSB's focus will continue to be on improving safety rather than on apportioning blame or providing the means to determine liability.

No amendments are required to the Transport Safety Investigation Act to broaden the ATSB's role.

However, the bill will clarify the act's reliance on the territories' power in the Constitution for the purpose of the ATSB conducting investigations within the territories.

The bill also contains an amendment to enable state and territory ministers with a responsibility for rail transport to request the ATSB to conduct an investigation in their jurisdiction.

This recognises that the states and territories are significant stakeholders in rail safety.

COAG has agreed criteria for the ATSB automatically commencing an investigation, including where there has been a death or significant mainline derailment or collision.

Further, through assessing data available from all accident and incident notifications, the ATSB will determine whether other occurrences require investigation in order to address emerging hazards and risks.

With the ATSB to assume a national jurisdiction for rail safety investigations, the ATSB will be better positioned to examine other emerging safety trends of importance to the entire industry.

The final amendment in the bill clarifies that some information the ATSB obtains and generates may be disclosed in accordance with regulations made under the act.

While this amendment will have effect with respect to the ATSB's general investigation functions and powers, it will have immediate importance for the
establishment of a confidential reporting scheme.

The scheme will cover the aviation, maritime and rail industries.

For rail it will mean the industry will, for the first time, have a national confidential reporting scheme.

This will be another important component of the national rail safety system.

This bill, along with the broader reforms being undertaken by this government and the states and territories, assures the public and all parts of the Australian rail industry, that the safety of rail operations in this country is an absolute priority.

I commend the bill to the House.

Debate adjourned.

Customs Amendment (Smuggled Tobacco) Bill 2012

First Reading

Bill and explanatory memorandum presented by Ms Roxon.

Bill read a first time.

Second Reading

Ms ROXON (Gellibrand—Attorney-General and Minister for Emergency Management) (09:13): I move:

That this bill be now read a second time.

The Gillard government is proud of its world-leading action to combat smoking.

And as part of the government’s package of measures to reduce the use and influence of tobacco in Australia, I am pleased to introduce the Customs Amendment (Smuggled Tobacco) Bill. This bill amends the Customs Act 1901 to create new offences for smuggling tobacco products and for conveying or possessing smuggled tobacco products.

The bill also strengthens the penalties applicable to the illegal importation of tobacco by adding a maximum penalty of ten years imprisonment to the existing financial penalties.

I announced the government’s intention to create these new offences on World No Tobacco Day last month. They are yet another step by this government towards combating smoking on all fronts. Tobacco is not like any other legal product. When used as intended, it kills people. Illegal tobacco also kills people and the smuggling trade avoids taxes and has the potential to help fund other criminal activity.

Australia recognised the malign influence of cigarettes early and has made significant progress in reducing the smoking rate. Over the years Australia has prohibited advertising, removed sponsorships, restricted point-of-sale displays, and outlawed smoking in restaurants and many public places.

Thanks to these efforts, the proportion of Australians aged 14 years and over who smoke each day has fallen from 30 per cent in 1988 to 15 per cent today—one of the lowest in the world.

Despite Australia’s success in reducing smoking rates over recent decades, tobacco remains one of the leading causes of preventable death and disease among Australians, killing over 15,000 Australians each year and costing the community over $30 billion.

About three million Australians continue to smoke every day—so it is incumbent on government to do all it can to stamp smoking out.

That is why the Gillard government has taken the world-first step in mandating that all cigarettes and other tobacco products be sold in plain, drab packs from 1 December this year.

The government believes that all children have the right to grow up healthy and free
from addiction, without becoming the victims of a very calculated marketing campaign to hook a new generation of smokers.

Our government also increased taxation on tobacco by 25 per cent, which saw an immediate fall in the amount of tobacco sold.

We have introduced legislation to ban tobacco marketing on the internet; and

We have put nicotine replacement therapies on our Pharmaceutical Benefits Scheme—meaning these are cheaper for Australians to buy, particularly seniors and low-income earners.

And just in our last budget we have massively reduced duty free allowance—down to just 50 cigarettes (from 250).

But there is more we can do to continue that fight, such as taking action to ensure all tobacco consumed in this country is subject to those mandated health pricing and packaging rules.

Illegal tobacco importations typically occur when an importer attempts to evade the duty payable on these imports. Given the high duty payable on tobacco, this generally occurs by misdeclaring the goods to the Australian Customs and Border Protection Service as non-tobacco products with a lower duty liability.

To date tobacco smuggling has not represented a major threat in Australia and Customs have been successful in intercepting hauls of illicit tobacco heading for Australia.

During 2010-11, Customs made 55 seizures of smuggled tobacco products in sea cargo, consisting of 82 million cigarettes and representing a potential revenue evasion of $135 million plus GST. This is a large number, but should be seen in context: Australians smoke around 22 billion cigarettes a year.

We are keen, however, to ensure that when Customs do intercept illicit tobacco, there are significant penalties in place to deal with those responsible.

The penalties must provide a strong deterrent to criminals involved in this activity—as well as demonstrate the seriousness with which the government views such frauds against the Commonwealth, and harm against the community.

Currently smuggled tobacco is usually prosecuted under a general smuggling provision, with penalties ranging from two to five times the amount of duty evaded.

However, these pecuniary penalties for tobacco smuggling are not necessarily an effective deterrent, as many penalties currently imposed for tobacco smuggling are simply not paid.

The new offences in this bill clarify the law by creating specific offences in relation to tobacco smuggling. The bill creates an offence where a person imports tobacco with the intention of defrauding the revenue. It also creates an offence where a person conveys or possesses tobacco products which the person knows were imported with the intent to defraud the revenue.

A pecuniary penalty of up to five times the duty evaded will apply for both these offences.

In addition, the new offences attract a substantial maximum term of 10 years' imprisonment. A term of imprisonment is not currently available as a penalty for tobacco smuggling under the Customs Act and these new penalties will send a clear message to smugglers that they risk spending significant time in jail by bringing illegal tobacco into this country.

Tobacco, of all types, can kill its users. Australia has regulated this dangerous
product very tightly—and these steps strengthen our arm if smugglers try to get around those regulations and try to avoid the payment of taxes.

The introduction of this bill and the offences it creates reinforces my government's commitment, to fight smoking on all fronts.

I commend the bill to the House.

Debate adjourned

Customs Amendment (Anti-dumping Improvements) Bill (No. 3) 2012

First Reading

Bill and explanatory memorandum presented by Mr Clare.

Bill read a first time.

Second Reading

Mr CLARE (Blaxland—Minister for Home Affairs, Minister for Justice and Minister for Defence Materiel) (09:19): I move:

That this bill be now read a second time.

Introduction

Twelve months ago, the government announced Streamlining Australia's anti-dumping system—a policy document that set out the most significant reforms to Australia's anti-dumping system in over a decade.

I am pleased today to present the Customs Amendment (Anti-dumping Improvements) Bill (No. 3) 2012, which is the fourth and final tranche of legislation to implement the reforms in this policy document.

As I foreshadowed in March, when I introduced the third tranche of legislation, this fourth bill implements reforms across three broad areas.

First, it will better align Australia's anti-dumping and countervailing system with those of our WTO counterparts.

Second, it introduces provisions designed to address the circumvention of trade measures. These important amendments establish, for the first time, a mechanism for Australian industry to apply to the Australian Customs and Border Protection Service for an inquiry into business practices which are designed to avoid the payment of dumping or countervailing duties.

Third, it strengthens our system's ability to address parties' non-cooperation during the investigation process.

It also makes a number of minor corrections to Part XVB of the Customs Act 1901.

I will now step through each of these in detail. Aligning subsidies provisions with the World Trade Organization Agreement on Subsidies and Countervailing Measures

First, the bill amends the provisions dealing with countervailable subsidies to more accurately reflect the World Trade Organization Agreement on Subsidies and Countervailing Measures. In particular, this bill:

- amends the definition of subsidy to more accurately reflect the language of Article 1 of the WTO agreement, clarifying that a financial contribution or income or price support is a subsidy even if it only indirectly confers a benefit in relation to the goods exported to Australia;
- repeals the section of the Customs Act dealing with 'calculating whether a benefit has been conferred and the amount of the subsidy' and replaces it with a simplified section more in line with the approach of the WTO agreement;
- introduces a new provision which clarifies that the amount of the countervailable subsidy is an amount determined by the minister in writing and that the amount of
countervailable subsidy should be worked out by reference to the units of those goods;

- amends provisions relating to material injury to more effectively reflect the WTO agreement. In particular, this relates to requiring that material injury determinations be made based on facts and not allegations, conjecture or remote possibilities. It also ensures that consideration is given to the cumulative effects of those exportations in light of the competition of imported and like domestic goods; and

- amends the provision relating to the termination of an investigation where subsidisation causes negligible injury. This will clarify that a countervailing duty investigation can immediately be terminated where the authorities determine that injury is negligible without having to prove that subsidisation is received.

**Anti-circumvention inquiries**

Second, this bill introduces a new division in Part XVB of the Customs Act, Division 5A—Anti-circumvention inquiries. This division will allow Australian industry, or the minister, to initiate an anti-circumvention inquiry.

Circumvention is a trade strategy used by the exporters and importers of products to avoid the full payment of dumping or countervailing duties. Circumvention activities take various forms and exploit different aspects of the anti-dumping and countervailing system. For example:

- an exporter of goods subject to dumping duty may make an arrangement to export its goods through a second exporter, who is not subject to dumping duty, in order to avoid the dumping duty imposed;

- an importer of goods subject to dumping duty may import those goods in parts from the manufacturer and then assemble them in Australia in order to avoid the dumping duty imposed, because 'parts' of the goods are ordinarily not subject to dumping duty; or

- an importer of goods subject to dumping duty may import those goods via a third country, which is not subject to dumping duty, in order to have them considered as imports from that third country and avoid the dumping duty imposed.

Division 5A empowers the Chief Executive Officer of the Australian Customs and Border Protection Service to inquire into those circumvention activities and provide the minister with a report recommending whether the original notice should be altered or remain the same. As a result of these amendments, the minister will be able to extend the original notice imposing the anti-dumping measures to cover the circumvention activities of exporters or importers if the minister is satisfied that, as a result of the prescribed circumvention activity, the duties which would have otherwise been paid on imported goods have not been paid.

**Stronger provisions to address non-cooperative parties**

Third, this bill strengthens the provisions that deal with non-cooperation in sampling exercises in investigations, continuation inquiries or reviews under Division 5 of Part XVB of the Customs Act.

Sampling exercises are undertaken where the number of exporters who provide information is so large as to make a determination for each individual exporter impracticable. The Australian Customs and Border Protection Service will be able to limit the examination either to a reasonable number of exporters which are a statistically
valid sample, or to the exporters who are responsible for the largest percentage of the volume of the exporters from the country in question which can reasonably be investigated.

Currently, an exporter of goods which are the subject of an investigation must have been either a selected exporter or a residual exporter. A residual exporter would generally receive a duty equal to the weighted average of the examined selected exporters' duty rate imposed by the measures. This would normally be more than the rate for an exporter who failed to cooperate in the investigation.

The Australian Customs and Border Protection Service's view has been that residual exporters only exist in cases where the sampling provisions were applied. In a recent Trade Measures Review Officer decision a loophole was identified which could lead to a counterproductive outcome that benefits non-cooperating exporters, that is, they may receive a more favourable rate than the rate provided under the current approach.

This amendment will prevent potential manipulation of this provision by creating three categories of exporters: cooperative, residual and uncooperative.

As a result, the minister will be able to determine:

- individual rates of duty for all cooperative exporters and any uncooperative exporters for whom an individual export price and normal value were calculated. These exporters will be named in the notice;
- a single rate of duty for all residual exporters. These are the cooperative exporters which were not examined; and
- a single rate of duty for all other exporters not named in the notice. This will include non-cooperative exporters which are not covered by an individual rate, and new exporters.

This approach is consistent with the approach taken in a number of other jurisdictions.

This reform will ensure that Australia's anti-dumping system effectively deals with parties that do not cooperate with investigations. This ensures that the minister will have the power to impose tougher dumping margins for parties that refuse to provide necessary information within a reasonable period.

**Conclusion**

This bill completes the implementation of the legislative reforms outlined in the government's *Streamlining Australia's anti-dumping system*.

The 'Streamlining' reforms represent the most extensive improvements to the anti-dumping system in a decade and address long-standing systemic issues such as those identified in the Productivity Commission inquiry report No.48, *Australia's anti-dumping and countervailing system*.

But more can be done to ensure that the system can respond to new and emerging trends. For example, there may be more that we can do to address sales at a loss, aimed at avoiding the effect of our anti-dumping system. I am looking at this and other areas where future reform may be required, and will bring forward further legislation for the parliament's consideration if it is needed.

There is still more to do. This bill is an important step, and I commend it to the House.

Debate adjourned
Health Insurance Amendment (Extended Medicare Safety Net) Bill 2012

First Reading
Bill and explanatory memorandum presented by Ms Plibersek.
Bill read a first time.

Second Reading
Ms PLIBERSEK (Sydney—Minister for Health) (09:30): I move:
That this bill be now read a second time.

More than ever before, we are making the most of every precious health dollar.
We are being guided by the evidence and investing wisely.
We are finding efficiencies and returning the benefits to patients.
Where the evidence said things were not working, the government has done things differently. And the bill before the House is part of this. We have looked at the evidence on how the Extended Medicare Safety Net works, and it says we need to close a loophole to protect the integrity of the system.

This bill amends the Health Insurance Act 1973 to allow the application of Extended Medicare Safety Net benefit caps to apply where more than one Medicare service is performed on the same patient on the same occasion and is deemed to be ‘one professional service’.

This bill makes an amendment to the Extended Medicare Safety Net program that was introduced through the Health Legislation Amendment (Medicare) Act 2004.

The Extended Medicare Safety Net provides individuals and families with an additional rebate for their out-of-hospital Medicare services once an annual threshold of out-of-pocket costs for out-of-hospital services is reached.

Out-of-hospital services include GP and specialist attendances and services provided in private clinics and private emergency departments.

Once the relevant annual threshold has been met, Medicare will pay for 80 per cent of any future out-of-pocket costs for Medicare eligible out-of-hospital services for the remainder of the calendar year, except for a number of services where there is an upper limit on the benefit payable through the Extended Medicare Safety Net, known as the ‘EMSN benefit cap’.

The Extended Medicare Safety Net program was amended through the Health Legislation Amendment (Extended Medicare Safety Net) Bill 2009, which amended the Health Insurance Act 1973 to enable the minister to determine, by legislative instrument, the maximum benefit payable under the Extended Medicare Safety Net for a specified Medicare Benefits Schedule (MBS) item.

The items that carry an EMSN benefit cap and the cap amount for each item are set out in the Health Insurance (Extended Medicare Safety Net) Determination 2009. The Health Insurance Act 1973 specifies that a determination made by the minister to place or amend an existing EMSN benefit cap must be approved by the resolution of each house of parliament before it can become effective.

Since 1 January 2010, EMSN benefit caps have applied to selected MBS items. These include assisted reproductive technology services, obstetrics services, pregnancy related ultrasounds, cataract surgery, hair transplantation and varicose vein surgery. A further 16 items have since been introduced into the MBS with EMSN benefit caps. Caps were placed on these items to maintain
consistency with the existing capped items, or based on recommendations made by the Medicare Services Advisory Committee regarding cost-effectiveness.

The current provisions of the Health Insurance Act 1973 do not allow EMSN benefit caps to apply where more than one item is claimed by the same patient on the same occasion and the items are deemed to constitute one professional service. An example of this occurs under Section 15 of the Health Insurance Act 1973 which describes the multiple operations rule.

There are, of course, many instances where claiming for multiple operations on the same occasion is appropriate. For instance, patients can benefit from having more than one operation at the same time because they do not need to have a second anaesthetic. An example is where a patient is having several skin cancers removed by surgical excision. Another is where varicose vein surgery is performed on both legs.

Under the multiple operations rule there is a reduction in the amount of Medicare benefit payable where two or more operations are performed on the same patient on the same occasion, to recognise the efficiencies gained when several procedures are provided on the one occasion. Under legislation, where the multiple operations rule applies, the operations are deemed to be one professional service, rather than a collection of MBS items. However, EMSN benefit caps can only apply to an MBS item and not a professional service.

This means that under the current legislation, where doctors perform multiple procedures on the same patient on the same occasion, any EMSN benefit caps that apply to the individual MBS items that are performed within the operation do not apply, and there is no limit to the Extended Medicare Safety Net benefits that are payable for that professional service. This is not what was originally intended when parliament approved selected MBS items to have an EMSN benefit cap.

As announced in the 2012-13 budget, it is proposed that the Extended Medicare Safety net benefit caps be applied to a further 39 selected MBS items and all consultation services from 1 November 2012. These items have been selected to reduce the government's exposure to subsidising excessive fee inflation by some doctors, or where there is a risk that practitioners may shift fees on to uncapped items. Thirty-five of the items selected to be capped on 1 November 2012 fall under the definition of an operation for the purposes of the multiple operations rule and therefore may be deemed to constitute 'one professional service'.

Currently a doctor can avoid EMSN benefit caps by performing other operations at the same time. If the government cannot be certain that EMSN benefit caps will apply to selected items, it may not be in a position to introduce funding for important new high cost technologies.

This bill will ensure that where items are deemed to constitute 'one professional service' and all of the original MBS items that are part of that service are capped, the Extended Medicare Safety Net benefit caps will apply. This will ensure that the full savings announced in the budget are realised.

Other provisions—family registration for the EMSN

This bill also includes the provision to reduce the administrative burden on patients by removing the requirement for families to confirm the members of their family for Extended Medicare Safety Net purposes in writing. Currently, when families are nearing the Extended Medicare Safety Net threshold, the Department of Human Services—Medicare—contacts the person who
registered the family and asks them to confirm in writing the members of their family to ensure that the correct out-of-pocket costs have been attributed to the family Extended Medicare Safety Net threshold. Providing confirmation in writing increases the time families must wait to receive their Extended Medicare Safety Net benefits.

This amendment allows the chief executive of Medicare to determine the appropriate manner in which this information is provided and will allow families to confirm their family composition more quickly and easily. Patients will still be required to confirm their identity before this confirmation can take place to ensure the information provided is accurate.

This bill will allow the government to responsibly manage expenditure on Extended Medicare Safety Net and reduce the administrative burden on families. This is important for supporting the sustainability of the Extended Medicare Safety Net so singles and families can continue to receive additional assistance with their out-of-pocket costs.

Debate adjourned.

Commonwealth Government Securities Legislation Amendment (Retail Trading) Bill 2012
First Reading
Bill and explanatory memorandum presented by Mr Bradbury.
Bill read a first time.

Second Reading
Mr BRADBURY (Lindsay—Assistant Treasurer and Minister Assisting for Deregulation) (09:37): I move:
That this bill be now read a second time.

Today I introduce a bill to amend the Commonwealth Inscribed Stock Act 1911 and the Corporations Act 2001.

This bill delivers another key plank in the Gillard government's Competitive and Sustainable Banking Package, which the Deputy Prime Minister announced in December 2010. The overall objectives of the package are to improve consumer protection in banking services, to support smaller lenders in increasing competitive pressure on the big banks, and to secure the long-term safety and sustainability of the Australian financial system by reducing reliance on offshore wholesale funding markets.

As part of these objectives the government has committed to fostering a deep and liquid corporate bond market. Establishing a strong and liquid retail market in the premium, AAA-rated debt security—Commonwealth Government Securities (CGS)—is a critical step in the formation of a wider retail debt market, including corporate debt. For the first time in our history, Australia has been awarded the gold-plated AAA rating from all three global ratings agencies. We are one of only eight sovereigns around the world to achieve this with a 'stable' outlook.

Making it easier for mums and dads to invest in the safest bonds in Australia is an important step in building up their familiarity with fixed income investments more generally. It will provide retail investors with a visible pricing benchmark for investments they may wish to make in corporate bonds.

The Commonwealth Government Securities Legislation Amendment (Retail Trading) Bill 2012 contains a number of measures to facilitate trading of CGS on financial markets that are accessible to retail investors.

The first set of amendments contained in this bill allows retail trading of CGS to
commence by making appropriate amendments to the Commonwealth Inscribed Stock Act 1911 (the CIS Act).

These amendments are required because retail trading will be conducted differently from the current practices in the wholesale market. During consultation with stakeholders it has become apparent that the most timely and cost-effective way to implement this policy is to use an existing model whereby retail investors will buy and sell beneficial interests in CGS, known as depository interests. This is a widely used model—for example, there are already over 80 types of depository interests traded on the ASX and more are expected. Based on this model retail investors will be able to buy and sell depository interests in CGS on retail markets like any other listed share. Owners of depository interests will have the same claim to payments of principal and interest as if they owned the underlying CGS itself.

As the CIS Act currently does not contemplate beneficial interests in CGS, the amendments in the bill are required to ensure that the Australian Office of Financial Management (AOFM) is authorised to make the necessary payments in connection with the issue, sale and management of depository interests in CGS.

In order to enable retail trading of CGS depository interests to commence, the government has sought proposals and tenders from industry stakeholders for commercial services necessary to implement this policy. In particular, proposals have been invited from market operators interested in quoting and trading CGS depository interests on their market. The government anticipates that market trading will be able to commence in the near future.

The government supports competition in financial services and will similarly engage with other market operators in the future should they be interested in hosting trading in CGS depository interests.

**Investor protection measures**

The second set of amendments in the bill will ensure that the investor protection and market integrity provisions in the Corporations Act 2001 (the Corporations Act) apply to retail CGS.

These measures will ensure that financial services providers will have to comply with a range of licensing, conduct and disclosure requirements when they provide their services in relation to CGS depository interests. As an example, financial advisers providing personal advice to a retail client about CGS depositary interests will have to be licensed and supervised by the Australian Securities and Investments Commission (ASIC) before they can do so. They will also have to give the client a statement of advice setting out a range of information relating to their advice as required under the law.

The amendments in the bill will also require information statements to be provided to retail clients when they are given personal advice about CGS depository interests. The information statements will take the place of the product disclosure statement that is usually required for a financial product. The government considers that tailor-made disclosure documents are appropriate for CGS depository interests because they are a particular type of safe and simple investment.

The AOFM will consequently produce information statements providing concise information on CGS depository interests. These documents will be made available to the public on a dedicated website, together with other information related to CGS. Financial advisers will be able to download and print out the information statements from this website and provide them to their
clients when they recommend investing in CGS depository interests.

The government will pursue other avenues in addition to this bill to ensure that the information statements are provided to retail investors through on-market transactions—for example, through the online trading platforms offered by online brokers.

The amendments in the bill also ensure that CGS depository interests quoted and traded on financial markets are subject to the same legal requirements and protections as other listed securities.

**Minor amendments**

In addition to the two key reforms I have outlined, the bill also contains some minor amendments in relation to the CIS Act that will facilitate the day-to-day administrative work of the AOFM.

**MINCO approval**

The Ministerial Council for Corporations has been consulted on the amendments to the Corporations Act contained in this bill.

**Summing up**

This bill delivers another key plank in the Gillard government's banking reform package.

Passage of this bill will allow retail investors to buy and sell CGS depository interests on a financial market. They will also be provided with appropriate disclosure documents when they obtain personal advice about investing in CGS depository interests.

The establishment of an active retail CGS market will constitute an important step in the formation of a deep and liquid corporate bond market.

A vibrant corporate bond market is critical to putting competitive pressure on bank lending rates to business.

It is also central to harnessing our national superannuation savings so we can domestically fund more productive investment in our economy, via both the banking system and the corporate sector, reducing our reliance on offshore wholesale funding markets.

This critical reform is part of the Gillard government's broad agenda to promote Australia as a leading financial services hub and boost our reputation as one of the most attractive investment destinations in the world.

Debate adjourned.

**Veterans' Affairs Legislation Amendment Bill 2012**

First Reading

Bill and explanatory memorandum presented by Mr Snowdon.

Bill read a first time.

Second Reading

Mr SNOWDON (Lingiari—Minister for Veterans' Affairs, Minister for Defence Science and Personnel, Minister for Indigenous Health and Minister Assisting the Prime Minister on the Centenary of ANZAC) (09:46):

I move:

That this bill be now read a second time.

I am pleased to present legislation that will give effect to a number of measures that will improve or clarify services and benefits to the veteran and Defence Force community and make various amendments to update veterans affairs and related legislation.

Benefiting the veteran and Defence Force community are amendments to the Income Tax Assessment Act that will exempt from income tax, payments made under the new Veterans' Pharmaceutical Reimbursement Scheme.

The scheme commenced on 1 January 2012 and the first payments will be made in the first quarter of 2013.
The scheme provides for the reimbursement of out-of-pocket expenses incurred by eligible veterans and members in the purchase of pharmaceuticals.

The implementation of this scheme has been achieved through amendments to the legislative instruments that govern the Repatriation Pharmaceutical Benefits Scheme under the Veterans' Entitlements Act and the MRCA Pharmaceutical Benefits Scheme under the Military Rehabilitation and Compensation Act.

Amendments are required to the Income Tax Assessment Act to grant payments under the Veterans' Pharmaceutical Reimbursement Scheme the necessary income tax exempt status.

These amendments have the added benefit of also clarifying the income tax exempt status of other reimbursements that may be made under the Repatriation Pharmaceutical Benefits Scheme and the MRCA Pharmaceutical Benefits Scheme.

It is expected that approximately 50,000 veterans and members will benefit from the Veterans' Pharmaceutical Reimbursement Scheme.

Further amendments to the Income Tax Assessment Act will make it clear that treatment costs reimbursed under the Australian Participants in British Nuclear Tests (Treatment) Act are income tax exempt.

The Australian Participants in British Nuclear Tests (Treatment) Act provides treatment and testing for cancer for eligible nuclear test participants.

In some circumstances, treatment costs incurred by an eligible participant may be reimbursed.

Changes in the bill to veterans affairs legislation will clarify the approval and authorisation arrangements for travel for treatment for eligible persons and attendants under the Veterans' Entitlements Act and the Australian Participants in British Nuclear Tests (Treatment) Act.

In 2010-11 the department processed over 155,000 claims for reimbursement for travel expenses for treatment purposes.

Travel expenses can include costs for transport, meals and accommodation for eligible persons and where necessary an attendant to accompany the eligible person.

Amendments to the Veterans' Entitlements Act and the Australian Participants in British Nuclear Tests (Treatment) Act will make it clear that Repatriation Commission approval or authorisation for such travel may be given before or after the travel has been undertaken.

Further beneficial amendments in the bill will enable special assistance under the Veterans' Entitlements Act and the Military Rehabilitation and Compensation Act to be delivered in a more timely manner.

This will be achieved by enabling special assistance to be provided by legislative instrument instead of by regulation.

The result will be a more streamlined and therefore speedier process for providing special assistance to veterans, members, former members and their dependants.

The remaining amendments in the bill will make minor changes to clarify and update veterans affairs legislation and further align the Veterans' Entitlements Act with the social security law.

These changes are part of the government's ongoing commitment to continually review, update and improve the services and administration of benefits to our current and former military personnel and their families. I commend the bill the House.

Debate adjourned.
Fisheries Legislation Amendment Bill (No. 1) 2012
First Reading
Bill and explanatory memorandum presented by Mr Sidebottom.
Bill read a first time.

Second Reading
Mr SIDEBOTTOM (Braddon—Parliamentary Secretary for Agriculture, Fisheries and Forestry) (09:50): I move:
That this bill be now read a second time.

Mr Combet: Hear, hear!
Mr SIDEBOTTOM: Thank you.
The main amendments will introduce electronic monitoring (e-monitoring) to Australian boats that are authorised to fish under concessions and scientific permits granted by the Commonwealth. E-monitoring can include cameras, global positioning systems and sensors and can generate a range of visual and non-visual information for monitoring fishing and related activities.

Australian fisheries are a valuable natural resource and must be carefully managed to ensure sustainability. Commercial fish catch contributes more than $2 billion per year to the Australian economy. Processors, marketers, retailers, consumers and many allied small businesses benefit directly or indirectly from the industry and increase its contribution to the economy. As well as protecting the economic value of commercial fish stocks, Australians expect species that are valuable to the economy will not be overexploited. Accurate scientific data is essential to set catch limits on species to protect their status and maximise the economic returns to Australia. Furthermore, Australians expect that threatened, endangered and protected species, such as sea lions, dolphins and albatrosses, as well as the marine environment, will be protected from damage. E-monitoring of fishing activities is a cost-effective way to check that fishing activities are not damaging these species and habitats.

The Australian Fisheries Management Authority (AFMA) is responsible for managing Commonwealth fisheries, which, in general terms, are waters more than three nautical miles from the Australian coastline. The Commonwealth also manages some fisheries within three nautical miles, under agreements with the states and the Northern Territory.

It is vital that AFMA has access to accurate, comprehensive and timely data on the state of fish stocks, and on the impacts of fishing on both fish stocks and the marine environment, to manage fisheries. AFMA also needs to have accurate data to monitor whether fishing activities meet legal requirements.

E-monitoring will provide better, cheaper data. This has been proven by trials of e-monitoring in several Australian fisheries and overseas, and by implementing e-monitoring on some boats in waters off South Australia. Trials and cost-benefit analyses have shown that the more data that is required for a fishery, the cheaper it will become to use e-monitoring systems, rather than observers. E-monitoring also has the benefit of generating more comprehensive data, which complements the information we get from observers, vessel-monitoring systems and logbook reporting.

The bill formalises e-monitoring and its use as a fisheries management tool. Specifically, the bill gives AFMA an express power to impose e-monitoring obligations on Commonwealth fishing concession and scientific permit holders. In line with
AFMA’s legislative objectives, AFMA will be able to require concession and scientific permit holders to monitor not only fishing but also related activities, such as the impact of fishing on protected species and the broader marine environment.

The bill makes it an offence to hinder the operation of e-monitoring equipment, or to modify, damage, or destroy e-monitoring data. These offences reflect the need to protect the integrity of the e-monitoring scheme and ensure that the data is accurate and complete.

Further to this, the bill adds to the list of matters about which AFMA can issue an evidentiary certificate. The certificates act as prima facie evidence and therefore reduce the time and costs that might otherwise be spent in proving straightforward procedural or administrative matters in court.

Other amendments in the bill will make it clear that fishing concession holders are responsible for the actions of the masters and crew of their boats; will enable AFMA to waive levies payable for statutory fishing rights that are surrendered; and will make provisions in the legislation about implementing fisheries closures clearer, more consistent and simpler to administer.

The bill will help to hold fishing concession or permit holders responsible for the actions of the masters or crew employed on their boats. Currently, it is too easy for corporations or other persons, such as those that hold concessions or permits for fishing, to claim they are not responsible for the actions of their directors, employees or agents. The amendments therefore will place more responsibility on concession or permit holders to take reasonable precautions and exercise due diligence to ensure that the master and crew comply with their legal obligations.

The bill will allow AFMA to waive a levy payable in respect of a statutory fishing right if the right is surrendered without any fishing having taken place under it. This is already allowed in respect of fishing permits. In this situation, the holder has not and will not benefit from the statutory fishing right in the period to which the levy applies and should therefore be able to surrender it without payment.

The bill will also ensure that fishers are always notified in writing of decisions to close a fishery or part of a fishery to fishing, or to change or revoke such decisions. It will also clarify how a ‘part of a fishery’ can be defined; for example, by reference to a place, a time or a type or quantity of fishing gear. It will also allow AFMA to make emergency fishery closures without prior consultation, although, because they are legislative instruments, emergency closure directions will still be subject to parliamentary scrutiny.

The amendments in this bill will help ensure the sustainably of Australia's fisheries and will provide greater certainty for fishers and the community that Australia's fisheries are being very well managed. I commend the legislation to the House.

Debate adjourned.

**Electoral and Referendum Amendment (Improving Electoral Procedure) Bill 2012**

**First Reading**

Bill and explanatory memorandum presented by Mr Gray.

Bill read a first time.

**Second Reading**

Mr Gray (Brand—Special Minister of State and Minister for the Public Service and Integrity) (09:58): I move:

That this bill be now read a second time.
I am pleased to present a bill to amend the Electoral Act and the Referendum Act which will substantially improve the interactions that Australians have with elections and referendums.

The bill implements the government's response to three of the recommendations made by the Joint Standing Committee on Electoral Matters (JSCEM) in its Report into the 2010 federal election, specifically, recommendations 12, 31 and 32. I note that the opposition members of the committee did not oppose these recommendations in their dissenting report.

Schedule 1 to the bill will modernise the postal voting provisions to facilitate the use of technology to improve the way in which postal vote applications are made and processed.

One hundred and ten years ago the first Commonwealth Electoral Act provided for postal voting in much the same way as the current act. The current act provides that applications are made to a divisional returning officer who processes the applications and dispatches the postal vote packages. The postal votes are then returned to a divisional returning officer, processed again and counted. This was fine, in earlier times, when there were few postal vote applications.

At the 2010 election, however, the Electoral Commission processed over a million postal votes, which was a 17.8 per cent increase in the number processed at the 2007 election.

Schedule 1 to the bill will simplify the postal vote arrangements by directing all applications to either the electoral commissioner or an assistant returning officer.

Assistant returning officers, who may receive postal vote applications from overseas voters, will be located outside of Australia at such places as Australian high commissions and embassies or certain Australian Defence Force operations.

Upon receiving an application, the electoral commissioner or an assistant returning officer will then send, or arrange for the sending, of postal vote packages to the applicant.

Directing the majority of postal vote applications to the electoral commissioner will enable the centralised processing by computers and the centralised dispatch of postal vote packages.

As technology changes over time, the electoral commissioner will be able to take advantage of new efficiencies to process the applications.

The amendments do not fundamentally change the existing policy underpinning the current arrangements for postal voting, with two small exceptions.

The first policy change is that a 'person' rather than an 'elector' may make an application for a postal vote. This means that the electoral commissioner can issue the postal vote package in a timely way without assessing the applicant's entitlement to vote at the issuing stage.

This change does not necessarily mean that the person's vote will be counted. Once the completed postal vote certificate is returned to the electoral commissioner the person's eligibility to vote will be ascertained before including the ballot papers in the count in the weeks following polling day.

The new arrangements will continue to ensure that only postal votes by 'electors' will be counted, thus maintaining the integrity of the postal voting process.

The second small policy change is the repeal of a ground upon which a person may base a claim to be a general postal voter.
The repeal is merely a tidy up following amendments made in 2010 to the mobile polling provisions. The ground that is repealed is that a person may be a general postal voter if they live more than 20 kilometres from a place that will be visited by a mobile polling team.

As mobile polling teams are no longer limited to remote divisions, and the places that they visit are not confirmed until the writs for an election are issued, it is impractical to maintain such a ground upon which to base an application to be a general postal voter.

Schedule 1 to the bill implements the government's response to recommendation 12 made by the Joint Standing Committee on Electoral Matters in its report into the 2010 federal election.

The amendments made by schedule 2 to the bill seek to address concerns arising from the increasingly large number of Senate groups contesting elections. They are proposed as a means of discouraging candidates who are not seriously in contention for election and thereby would reduce the number of candidates on ballot papers.

The Senate election in New South Wales in 2010 provides some context for these amendments.

In this election there were 84 candidates distributed across 33 columns.

Of the 84 candidates, 42 candidates received fewer than 200 first preference votes. The total of the formal votes polled by these 42 candidates was 2,697 or 0.06 per cent of the total formal vote.

None of them came from a group which had a candidate elected and all lost their nomination deposits.

The increasingly large number of Senate groups contesting elections has an impact on formality due to a ballot paper that is growing in complexity in a voting system that requires every box to be numbered below the line if the elector chooses that voting option.

There are also practical issues associated with printing of such a ballot paper. The Senate ballot paper for New South Wales is already the maximum size that can be printed in Australia—1,020 millimetres—using currently available print technologies, and it is quite unwieldy. If more Senate groups contest the next election than in 2010, the font of the ballot paper must be further reduced in size. Reducing the font size significantly affects readability and therefore risks increased informal voting, thus affecting ballot outcomes.

Schedule 2 to the bill will increase the nomination deposit that must be paid by or on behalf of a candidate from $1,000 to $2,000 for all Senate candidates.

It will increase the nomination deposit that must be paid by or on behalf of all candidates for the House of Representatives from $500 to $1,000.

The last time that the deposits were increased was in 2006.

The increases were recommended by the Joint Standing Committee on Electoral Matters in recommendations 31 and 32 and are supported by the government.

Schedule 2 to the bill will also increase the number of electors required to nominate an unendorsed candidate from 50 to 100 electors. Unendorsed candidates are candidates who either are not endorsed by a registered political party or are not a sitting Independent candidate.

Further, for unendorsed Senate candidates who have made a request to be grouped, each candidate will require 100 unique electors to nominate them. For example, if two Senate
candidates have made a request to be grouped, the group will need 200 unique nominator electors.

There is no change to the number of nominators required for endorsed candidates of registered political parties or sitting Independent candidates as defined in the act.

The amendments to increase the required nomination deposit and to increase the number of nominators required for unendorsed candidates seek to strike the right balance between providing the opportunity for all eligible citizens to stand for parliament while at the same time putting in place some reasonable thresholds that candidates must meet; thresholds that will contribute to ensuring the effectiveness of the electoral process.

There are also a number of minor and technical amendments to both acts.

One of these amendments makes a change to the law relating to who may be enrolled and may vote at elections. Even before Federation there was a longstanding prohibition on people who were described as being 'of unsound mind' so that they are 'incapable of understanding the nature and significance of enrolment and voting'.

The amendments in this bill replace the outdated reference to 'unsound mind' with a non-judgemental requirement to obtain a letter or certificate from a 'qualified person' with respect to a person's capacity to vote. The amendments now provide a disqualification from enrolment if in the opinion of a qualified person the potential elector does not understand the nature and significance of enrolment and voting.

The inclusion of the words 'unsound mind' in the Commonwealth Electoral Act generates considerable concern in the community. General practitioners advise that they are not qualified to say whether somebody is or is not of 'unsound mind'.

Such inappropriate language is both unhelpful and misleading.

The definition of 'qualified person' is adopted from the Freedom of Information Act 1982 and includes medical practitioners, psychiatrists, psychologists and social workers.

There is no change of policy behind these amendments.

These amendments, by modernising these references, will help address the concerns on this issue of family members, carers and carers of people who have a substantial illness or enduring disability.

I commend the bill to the House.

Debate adjourned.

**COMMITTEES**

**Public Works Committee**

**Approval of Work**

Mr GRAY (Brand—Special Minister of State and Minister for the Public Service and Integrity) (10:07): I move:

That, in accordance with the provisions of the Public Works Committee Act 1969, it is expedient to carry out the following proposed work which was referred to the Parliamentary Standing Committee on Public Works and on which the committee has duly reported to Parliament: Improvement to fuel storage and supply, Christmas Island, Indian Ocean Territories.

The Department of Regional Australia, Local Government, Arts and Sport proposes to increase the bulk fuel storage capacity and integrate and co-locate storage of diesel, aviation fuel and petrol on Christmas Island, Indian Ocean Territories.

All fuel is required to be delivered to Christmas Island by sea. Adverse weather conditions, particularly those prevailing during the swell season, limit and often prevent ships from being unloaded. As a result, bulk deliveries of diesel and petrol are
typically scheduled to occur just prior to or immediately following the swell season. The scheduled deliveries can be compromised due to the variances in the swell season, depending on when it commences and finishes. The proposed works include increased access to Commonwealth owned bulk diesel storage tanks, currently leased to the Indian Ocean Oil Company, and hence increased storage capacity at Smith Point. Other work includes construction of a new bulk fuel installation on Murray Road including the relocation of bulk petrol storage tanks from the Rocky Point service station to the settlement area, subject to community consultation; construction of an iso-octane storage area for aviation fuel; construction of fixed aviation fuel storage adjacent to the airport; construction of a new pipeline and associated infrastructure between Smith Point and the new bulk fuel installation to transfer petrol into bulk storage assets; and the demolition of redundant facilities and associated site remediation works.

The approved budget is $19.5 million plus GST and includes all costs to complete the project works, including contingencies and allowances for escalations. An increase in the net operating costs of the Commonwealth's fuel assets are expected due to the construction of new facilities and the relocation of re-used facilities.

In its report the Public Works Committee recommended that these works proceed. Subject to parliamentary approval, construction is expected to commence in late 2012 and be completed by June 2014. On behalf of the government, I would like to thank the committee for its support and I commend the motion to the House.

Question agreed to.

Approval of Work

Mr GRAY (Brand—Special Minister of State and Minister for the Public Service and Integrity) (10:10): I move:

That, in accordance with the provisions of the Public Works Committee Act 1969, it is expedient to carry out the following proposed work which was referred to the Parliamentary Standing Committee on Public Works and on which the committee has duly reported to Parliament: Fit-out of Commonwealth Parliament Offices at 1 Bligh St, Sydney, NSW.

The Department of Finance and Deregulation proposes to undertake a fit-out of new Commonwealth Parliament Offices (CPO) at 1 Bligh Street, Sydney. The Sydney CPO provides offices and meeting facilities for the Prime Minister, cabinet ministers, office holders, visiting senators and members. The current CPO is located at 70 Phillip Street and, due to the ageing condition of the accommodation as well as inherent faults that cannot be overcome by refit, it is not desirable to enter into a new long-term lease of the premises; however, a three-year lease has been signed to allow sufficient time to relocate and make good the current premises.

The new fit-out will provide office facilities for the Prime Minister and the operation of cabinet. In the past these facilities have been co-located at the CPO but have been on a separate lease and managed and fitted out by the Department of Prime Minister and Cabinet. This proposal achieves significant efficiencies and greater flexibility both in the fit-out project and the ongoing operation of the facilities. The Sydney CPO will occupy three levels of 1 Bligh Street, covering a fit-out area of 4,891 square metres. The Bligh Street address retains the financial business district location with easy access to public transport and the airport. The estimated cost of the proposed fit-out is $21 million plus GST.
In its report the Public Works Committee recommended that these works proceed. Subject to parliamentary approval, construction is expected to commence in July 2012 and be completed by December 2012. On behalf of the government I would like to thank the committee for its support and I commend the motion to the House.

Question agreed to.

**Approval of Work**

Mr GRAY (Brand—Special Minister of State and Minister for the Public Service and Integrity) (10:12): I move:

That, in accordance with the provisions of the Public Works Committee Act 1969, it is expedient to carry out the following proposed work which was referred to the Parliamentary Standing Committee on Public Works and on which the committee has duly reported to Parliament: Development and construction of housing for the Department of Defence at Rasmussen, Townsville, Queensland.

Defence Housing Australia (DHA) proposes to develop a 99-hectare site in the Townsville suburb of Rasmussen in Queensland. The site is owned by DHA. The proposal will develop 1,180 building lots and a medium-density site for the general public and defence families. This is a long-term project providing positive outcomes for both the community and defence families, with the last house being delivered in 2023. The proposal is part of ongoing activity to support the increased Defence presence in Townsville and to increase the quality of the housing stock for our defence families. The Rasmussen site is very well located, being only 11 kilometres from Lavarack Barracks and six kilometres from the Thuringowa Central shopping mall. On the 1,180 lots, 401 dwellings will be built by DHA for defence families. The remaining 779 lots will be sold to private developers and the public, creating a mixed civilian and defence community while also reducing DHA's net outlay. The project cost of $230 million, inclusive of GST but exclusive of the cost of land, will be met by DHA and recovered through the sale of surplus lots and the sale and lease-back program.

In its report the Public Works Committee has recommended that these works proceed. Subject to parliamentary approval, construction is expected to commence in March 2013 and be completed by October 2023. On behalf of the government I would like to thank the committee for its support and I commend the motion to the House.

Question agreed to.

**MINISTERIAL STATEMENTS**

**National Road Safety Strategy**

Ms KING (Ballarat—Parliamentary Secretary for Infrastructure and Transport and Parliamentary Secretary for Health and Ageing) (10:14): by leave—

**Introduction**

The Australian Government has committed to report annually on the progress of the National Road Safety Strategy, and today I will outline the government’s commitment to tackling road safety and our progress.

Last year alone some 1,291 people died on our nation's roads and over 30,000 were hospitalised—all because of road crashes. Since record keeping commenced in 1925, over 180,000 Australians have died on our roads. In dollar terms, the cost of road crashes to the Australian economy is estimated at $27 billion a year. It is a burden that is disproportionately carried by trauma victims and by their families. But the effects are also felt in our hospitals and by our medical and emergency services. The costs in lost productivity are felt by the whole community.

The Australian government believes that there is much we can—and must—do as a
nation to reduce the number of deaths and serious injuries on Australia’s roads. And pursuing this change is a shared responsibility—we can only make significant inroads if we all work together—all levels of government working in partnership with the community.

National Road Safety Strategy

In May last year, federal, state and territory transport ministers approved the National Road Safety Strategy 2011 to 2020. The Australian government led the establishment of the strategy following an extensive process of consultation with road safety agencies, professional organisations, industry groups and the broader Australian community. The strategy is an ambitious one, setting out an agenda for sustained road safety improvement, and guided by the vision that no person should be killed or seriously injured on Australia’s roads. It is a strategy that moves away from the outdated mindset of blaming the driver, recognising that solutions to reducing road trauma need to adopt a wider and much more integrated approach.

It is clear that such a complex problem cannot be solved by narrowly targeted or easily derived measures. In light of that, the strategy provides a 10-year plan to move us towards our long-term vision of a road transport system that is inherently safe, built around four fundamental pillars—safe roads; safe speeds; safe vehicles; and safe people.

The strategy aims to reduce the annual numbers of both deaths and serious injuries on our roads by at least 30 per cent by 2020. Research evidence and traffic growth projections suggest it will be challenging—but with a concerted effort it is achievable. The strategy identifies 59 specific action items for priority attention, and a formal review of the strategy will be undertaken in 2014, and I expect it will reveal significant progress.

Progress report

A few weeks ago, the Standing Council on Transport and Infrastructure received the first status report on the strategy—almost exactly a year after its introduction. Even at this early stage, the report shows that a considerable amount of activity is in progress. Action is well underway to develop and implement improved safety standards for new vehicles. The Australian government has also led the way to promote best-practice fleet purchasing policies by adopting a five-star vehicle safety requirement for the Commonwealth fleet in 2011.

I am also pleased to note that all states and territories have taken steps to strengthen their drink driving and speed enforcement programs. In most jurisdictions, this includes the introduction of, or plans to introduce, point-to-point speed camera systems in a concerted effort to improve safety on major traffic routes.

Projects scheduled for completion over the next two years are addressing issues such as:

- improvements to road design and speed limit guidelines;
- best practice approaches to speed enforcement;
- enhanced use of alcohol interlocks for drink driving offenders;
- measures to reduce unlicensed driving; and
- development of driver licensing resources to support Indigenous peoples.

The Bureau of Infrastructure, Transport and Regional Economics (BITRE) is currently developing a new national road crash database to enable full reporting against a range of key statistical indicators.
While this is a work in progress, preliminary data produced for the first status report show that total road deaths in 2011 declined by 9.5 per cent relative to the strategy baseline. Indeed across a number of key indicators we are seeing improvements, including a 21 per cent reduction in deaths among 17- to 25-year-old drivers and motorcycle riders, and a 13 per cent reduction in both motorcyclist deaths and deaths from single-vehicle crashes.

**Commonwealth contribution to road safety**

I emphasised earlier that road safety is a shared responsibility. And in the spirit of shared responsibility I would like to outline the Australian government's major contributions to date.

**Safe roads**

It will come as no surprise to you that the strategy highlights the role of quality roads in ensuring safety. For this reason our $36 billion Nation Building Program is investing significant funding to upgrade and build new, safer roads around the nation. The government has already made unprecedented investments in upgrading highways, rail links and urban transport corridors, and through the latest budget, we will continue to do so.

Take for example the Black Spot Program. The Australian government's budget provides an additional $300 million to continue the program for a further five years until 2019. It is a significant investment—equating to a considerable $60 million per year to improve some of our nation's most dangerous patches of road.

And it is a program that is working. The bureau recently estimated that through the first seven years of projects funded by the Black Spot Program, around 4,000 crashes and almost 30 deaths have been avoided per year. We can expect that the Australian government's latest investment will prevent a further 2,000 crashes and save 13 lives a year.

The budget also announced additional funding to continue the Roads to Recovery Program from 2014-15 to 2018-19. A total of $1.75 billion in new funding will provide $350 million per annum directly to local councils, or states and territories in locations where there are no councils. This ensures those who know the local roads best have direct involvement in funding their improvement.

**Safe vehicles**

In the area of safer vehicles, the Australian government's role in vehicle safety regulation includes the ongoing pursuit of higher crash protection standards and the adoption of new and effective safety technology in vehicles. In driving forward the ambitious goals of the strategy in this area, the Australian government has made it a requirement starting July 2013 that all new passenger vehicles, passenger vans and sports utility vehicles are fitted with driver's seatbelt reminder systems.

Other work has seen the introduction of a new vehicle safety standard for ISOFIX child restraint anchorages, which will lead to greater choices for parents looking to ensure the safety of their children.

We will continue to work hard over the next two years, as we evaluate the case for mandating a range of other measures, such as:

- Electronic Stability Control for light commercial vehicles;
- Brake assisted technology for passenger cars;
- ABS technology for motorcycles; and
- ABS, lane departure warning systems and advanced emergency braking systems for heavy vehicles.
Australia is also leading a United Nations working group to develop an international vehicle regulation on pole side impact. As side impacts account for over 20 per cent of Australian road deaths, and also a high proportion of serious brain injuries, this is a very important initiative. We are aiming for the UN agreement for the regulation next year and will then be in a position to implement the new standard here in Australia. I particularly acknowledge the international leadership and pioneering research of the department in this initiative and the support that we are getting from the Australian industry.

ANCAP

While improving the safety of vehicles through changes to national standards, the Australian government has also turned its efforts to complementary safety measures, becoming a member of the Australasian New Car Assessment Program—ANCAP for short.

As I touched upon earlier, the government is showing its support for this important safety rating system by stipulating on 1 July last year that all new passenger vehicles purchased through the government's fleet purchasing system must have a five-star ANCAP rating. I am particularly pleased that we have now increased the government's fleet of five-star passenger vehicles from 76 to 82 per cent over the last 12 months—all while maintaining our longstanding commitment to Australian vehicles. We will continue our commitment as we strive towards reaching the target of 100 per cent.

Also pleasing is the leadership that this has provided for other governments in Australia—and private fleet operators as well—to take up the challenge. Last month the Gillard government congratulated BHP Billiton on its announcement to require vehicles in its worldwide fleet to have the maximum five-star safety rating under New Car Assessment Programs operating around the globe. And we continue to urge others to follow.

Heavy Vehicle Safety and Productivity Program

I want to turn to an area of road safety that has been a particular concern to this government, namely the safety performance of heavy vehicles. The heavy vehicle transport sector plays a vital role in our economy and employs hundreds of thousands of Australians. However, heavy vehicle crashes also contribute substantially to road trauma, often involving the occupants of light passenger vehicles and pedestrians. We currently are, and will continue to be, dependent on heavy vehicles—they will not be disappearing from our roads anytime soon. But we can improve the safety of truck drivers, and by extension the rest of those on the road, by expanding the provision of suitable roadside rest areas.

In this year's budget, the government announced a $140 million extension to the Heavy Vehicle Safety and Productivity Program through to 2019. This program directly targets heavy vehicle safety by providing funding for new and upgraded rest areas, parking and decoupling bays and other road enhancement projects. Impressively, in its first four years this program has delivered 236 projects—and we are building on this by doubling the amount of funding dedicated to this program.

This latest investment is on top of our recent establishment of the Road Safety Remuneration Tribunal—a huge step forward in stemming risky behaviour by heavy vehicle drivers—as well as working to establish the first ever single National Heavy Vehicle Regulator.
Seatbelts on Regional School Buses

Another aim of the National Strategy is to improve the safety of children travelling in school buses on high-speed or potentially hazardous roads. The government's recent decision to extend the Seatbelts on Regional School Buses program for a further four years is an important contribution to that objective. Since its introduction in 2007, the Seatbelts on Regional School Buses program has invested some $4.8 million in seatbelts on more than 300 buses throughout Australia. The government's additional $4 million commitment will ensure that many more seatbelt-equipped school buses are available for students in rural and regional parts of Australia.

Young people

Last year, 133 young people aged between 17 and 25 years were killed while driving a vehicle. Tragically, a further 77 died as passengers. While we are making improvements in most areas of road safety, this young adult age group continues to be significantly over-represented in serious road crashes. That is why the Australian government is helping to improve young driver safety by funding the national keys2drive learner driver program. This groundbreaking initiative developed by the Australian Automobile Association provides learner drivers—and their supervising parents—with free lessons from an accredited driving instructor. With over 1,000 accredited driving instructors across the nation, this program has now delivered almost 100,000 free lessons to young learner drivers—and the program is continuing to expand.

One of the ways we seek to improve young driver safety in Australia is through graduated licensing systems for learner and p-plate drivers. I am pleased that transport ministers have agreed for work to be done on this issue and to consider options for a better national approach to graduated licensing at the next meeting of the Standing Council on Transport and Infrastructure.

Another matter of great concern to me, and that I have also raised with my state and territory colleagues, is the number of children killed or seriously injured in driveway-related incidents. These typically involve very young children being run over while they are playing—often in the family home—and often with a family member or friend behind the wheel. And these young children do not appear on our national road trauma statistics. I am determined to see some action nationally to prevent these tragic incidents, which impact terribly on families and communities. My department is undertaking work on options to address this problem and I will be taking the matter up at the next meeting of transport ministers later in the year.

Global decade of action for road safety

In addition the National Road Safety Strategy, the Australian government is a strong supporter to the global Decade of Action for Road Safety 2011–2020. And we continue to contribute internationally to reduce the level of road trauma as part of the decade.

Conclusion

Australia has a commendable record of road safety achievement stretching back over four decades. In 1970, our worst year, 3,800 Australians lost their lives in a single year of road carnage. Since then we have seen combined efforts from all levels of governments and the community to get these figures down. We were the first country to introduce compulsory wearing of seatbelts and bicycle helmets. We were at the forefront of random breath testing, roadside drug testing laws and child restraint requirements.
We led the way in performance-based vehicle safety standards, black spot road improvement programs and fatigue management reforms in the heavy vehicle transport sector. But there is clearly a lot more that all of us need to do. We have made a good start under the new National Road Safety Strategy, and the government is determined to maintain the momentum.

I ask leave of the House to move a motion to enable the member for Gippsland to speak for 15 minutes.

Leave granted.

Ms KING: I move:

That so much of the standing and sessional orders be suspended as would prevent the member for Gippsland speaking in reply to the minister's statement for a period not exceeding 15 minutes.

Question agreed to.

Mr CHESTER (Gippsland) (10:29): I do appreciate the opportunity to speak in response to the Parliamentary Secretary for Infrastructure and Transport's report on progress in relation to the National Road Safety Strategy, and I recognise that it is quite an unusual occurrence for a parliamentary secretary to make a ministerial statement and I do congratulate her and recognise her passion on this issue and her determination to achieve positive results across Australia.

Road safety is an issue of critical importance to all members in this place, but I would suggest it is particularly an issue of great significance to regional MPs—primarily because we do tend to drive longer distances on an annual basis. We often travel on a poorer standard of road, and tragically it is our friends and our family members and our colleagues who are overrepresented in accident statistics. Road issues are very close to the heart of all regional MPs. We depend heavily on our road networks to link our regions and to help break down our isolation, but we need a good, safe road network to travel on because roads are the arteries of community life and economic activity in regional Australia.

Unfortunately, I imagine that everyone in this place and those listening today have been touched either directly or indirectly by road trauma. Last year almost 1,300 people died on Australian roads and 30,000 were hospitalised. There is no question that we have some made enormous progress since the bad old days of the 1970s. But we have a long way to go, and we need to commit ourselves to working in partnership with all jurisdictions and to accept our shared responsibility as legislators, as road users and as parents to do the best we can to reduce road trauma.

The burden of road trauma is carried for life. There is the ongoing care which is required for people who have acquired serious injuries. There is a loss of quality of life for those individuals. There are major costs in the loss of productivity for the injured individuals but also for those who care for them. So there are some very compelling social and economic reasons to improve our road safety outcomes. That is why I welcome the National Road Safety Strategy. I believe it is a good document, but it is only as good as the commitment it receives from all stakeholders to the implementation of the key strategies that it outlines, some of which the parliamentary secretary referred to during her statement.

At the heart of the National Road Safety Strategy is its vision that no person should be killed or seriously injured on Australia's roads. I welcome that vision because it directly tackles the proposition that deaths and injuries on our roads are inevitable. The document presents almost 60 specific items for priority attention and acknowledges that
many of the severe accidents we experience in our communities are preventable. It is a good document, but it is not without its shortcomings, and I think there is room for improvement, as you would expect in a document of this nature.

I turn to the substance of the parliamentary secretary's report on the progress of implementation. There is now a recognition that road safety is not all about enforcement measures and improving driver behaviour. I think that is a very welcome change, which we have seen perhaps over the past decade. We need a more holistic approach which revolves around the so-called safe system principles of safe roads, safe speeds, safe vehicles and safe people. That means we need to train drivers and other roads users to be as safe as possible and to factor safety into their everyday lives. We need to continue to invest in improved safety within vehicles and to legislate, if necessary, to introduce proven safety measures. We need to ensure that speed limits are set appropriately for the accident risk of a section of road and that drivers appreciate the importance of complying with those limits. We also need to provide the safest possible road environment so that one mistake by a driver does not necessarily end in death or serious injury.

There have been numerous reports in recent years which have indicated that the great gains in reducing road trauma will come from improving the safety of the road environment rather than having a focus, as was the case in the 1980s and 1990s, on improved driver behaviour and improved enforcement measures. I recognise that it is a complex equation and that primary responsibility does rest with other jurisdictions, but I think there is a strong role for our federal government. I welcome this opportunity to speak on the strategy and the parliamentary secretary's report on progress.

When we are dealing with human error, we are never going to have a perfect system. But that should not dampen our enthusiasm or limit our resolve for effective action in the future.

I do take on the issue of road funding in the context of the most recent federal budget. I have some concerns. The budget papers revealed that the estimated expenditure on road transport would reduce this year from the previous year. That is an issue of concern when we are talking about ways to invest in improved road safety across the board and to adopt the safer road principles that the National Road Safety Strategy promotes. On the positive side, I note the current government's commitment to continue with the Roads to Recovery program. I think that that program has been incredibly successful across regional Australia. I have found it to be very well received by local councils in my travels. The point is well made within the National Road Safety Strategy document that many of the accidents and much of the trauma which occurs throughout Australia occurs on local roads, and any effort we can make to assist local councils with their infrastructure shortfalls would be welcomed.

The Nationals and the Liberals have always been supportive of measures targeted at improving road safety, such as reintroducing the discontinued Black Spot programs and introducing the Roads to Recovery program in March 2001. I give credit to the current government, which has continued that program in a bipartisan way. I believe that there is going to be more pressure on us at a federal level to invest more in Roads to Recovery in the future as local government grapples with the infrastructure shortfall.

I believe that the Nationals and Liberals in coalition came up with a good policy—our $600 million bridges renewal program—
during the previous election campaign in 2010 and that the government could have a close look at it. There are an estimated 30,000 bridges in decay throughout regional Australia. I believe that local councils will never have the wherewithal to maintain them, let alone upgrade them or replace them as they approach the end of their useful life. That is a challenge we have in the infrastructure network. We need to have a plan to help our regional communities rebuild those bridges to ensure productivity and keep communities connected. If we do not fix those bridges and do not provide access for these regional communities, we are forcing people to take longer routes and to detour around roads that may not be quite as safe. We all know that fatigue is an issue in road safety. I think the bridges which link some of our road networks are as critical a component as the roads themselves. I would encourage the government to take this fact on board and to consider it closely in its future budget deliberations. It is a good program that was put forward by the Liberals and Nationals, and hopefully we will have the chance to implement it in the future.

The parliamentary secretary referred to another practical measure which I am very supportive of—the commitment to build more rest areas. In the previous election our policy was to work in partnership with other jurisdictions to build 500 rest areas at an estimated cost of $300 million over 10 years. I think that, if we are going to go down the path of enforcing more regulations on professional drivers—the heavy vehicle drivers—in our community, then we have to provide decent and safe facilities for them to take the appropriate breaks. Heavy vehicles are overrepresented in road accident statistics, and improving the rest areas is an important strategy. We will pursue that with vigour if we have the opportunity in the future. There is a link between heavy vehicle users and recreational vehicles, and it is causing problems for our tourism industry. It is a substantial issue in many regional communities that large recreational vehicles do not have anywhere to park in our towns. I think that, if we can work in a constructive way with the heavy vehicle sector in providing rest areas which are appropriate for their needs, we may be able to come up with a design which alleviates some of the pressure on recreational vehicles as well.

As the parliamentary secretary indicated, there is a lot of support within the community for the Australian Automobile Association and Rotary International improved driver safety training program through the Keys to Drive initiative, which has the bipartisan support of the House. Like the government, we remain committed to working with ANCAP and to programs such as the installation of seat belts in regional school buses to improve safety for some of our youngest road users. These are good initiatives, and I do congratulate the parliamentary secretary for continuing to work in that direction.

Road safety is a very complex equation, and I fear that future reductions in the road toll will be hard for us to achieve. I do not want to sound pessimistic on a day when we are talking about 10-year strategy, but I would argue that some of the easy gains—if you could call them that—in the reduction of road trauma have already been made. We are seeing them in the introduction of the compulsory wearing of seatbelts, in drink-drive legislation and in improved enforcement of speed limits. So I suggest that some of the easier gains have already been made and that what we will see from now may well be incremental improvements rather than dramatic improvements.

Australia has been a world leader in the past—and the parliamentary secretary
touched on this—with our legislation and some of the enforcement measures which have been aimed at reducing the road toll. They have been very successful over a period of 40 years. But there is growing evidence to suggest that we are falling behind the rest of the world, and there are opportunities for us to lift our game and to learn from the international experience and to see what measures we can bring from other countries to Australia. Keep in mind that there are some unique conditions which we endure in Australia and which other parts of the world do not endure. I think there are opportunities for us not only to learn from other parts of the world but also to encourage innovation and research here within Australia.

In short, my argument is that there is room for improvement within Australia. We can make more gains, and we should not give up in that regard. There is a need for eternal vigilance on the issue of road safety, and we need to be willing to pursue policy reforms where they are available to us and to, wherever possible, pursue them in a bipartisan manner. As I said from the outset, I think that members on both sides recognise the critical importance of road safety initiatives and the economic benefits that come from improvements as well as the obvious social benefits of reduced trauma.

There are a couple of improvements I will suggest in the short amount of time I have left. I express some disappointment with the National Road Safety Strategy in its failure to fully explore the opportunities and the safety benefits which exist from getting more heavy vehicles off the road and onto rail. I think it is a bit of a shortcoming of the strategy. As we talk about adopting a more holistic approach to the issue of road safety more generally, I think it is reasonable to expect that such a strategy have a more holistic approach to the transport task itself.

I will give a classic example. Last week I had the opportunity to visit Parkes, where there was a Melbourne-to-Brisbane inland rail symposium undertaken. Part of the case for building that long overdue link are the improvements in road safety that will flow from the project. Reducing the number of heavy vehicles interacting with passenger vehicles on the highways—in this case, primarily the Newell Highway—and in towns along the route can deliver a very large safety dividend. I think that there is an opportunity for this document in the future to consider what the opportunities are, given that heavy vehicles are overrepresented in our road accident statistics and given the push that is on to build projects such as the inland rail project and to link those in and reap the safety dividend. That is one area of improvement which we can perhaps look at in our overall safety strategy.

I am also particularly interested—and the parliamentary secretary touched on this as well—to see how we can focus more of our energy and our research and development on the question of how we get more young people into the safest possible car. My experience probably would not be very different to those of other members in that when I turned 18 I bought the car that I could afford, and, if it kept running for a year or two, you were happy. We have matured as a nation since then, and we recognise that having 18-year-olds getting around in old bangers is not necessarily the safest way to approach our road safety issues.

I recognise that affordability is an issue here, but there is compelling evidence that improvements in vehicle safety contribute significantly to road trauma reduction. Our problem is that the Australian fleet has an average age of around 10 years, which means that any advancements we see today in the safety technology of our vehicles will take a long time to flow through the fleet and
improve safety for all those road users who may purchase a second-hand vehicle in the future.

There is something of an irony in this, in that by the time that we as adults can afford to buy a new and undoubtedly a safer car, we are probably already safer drivers because we have those years of experience and probably a reduced propensity to take risks. Our challenge is to get new vehicles, with their safety benefits, into the hands of young drivers, who are vastly over-represented in accident statistics. I would like to think that we can be innovative about this. Perhaps we can link assistance to the car industry in the future to a scheme that provides incentives for young drivers to purchase new vehicles. The government and the banking industry may be able to develop a system of interest rate subsidies to help drivers under the age of 25 purchase a new car for personal use. Perhaps there could be an opportunity for parents who assist their children in purchasing their first car to access some sort of program to support them in their efforts to get their loved ones into the safest vehicle they can afford.

In conclusion I acknowledge the great work that has already been done by legislators across various jurisdictions, by our researchers, by emergency services personnel—who are at the front line of this issue—by our medical professionals, by community groups and by individuals who are passionate about road safety. I include the parliamentary secretary in that final category. Australia has come a long way, but we do have a long way to go. Every loss of life in a car accident is a tragic event, and we must commit ourselves in this place to continue working towards the vision that no person should be killed or seriously injured on Australia's roads.

BILLS
Statute Stocktake ( Appropriations) Bill (No. 1) 2012
Report from Federation Chamber
Bill returned from Federation Chamber without amendment; certified copy of bill presented.
Order that this bill be considered immediately.
Bill agreed to.
Third Reading
Dr MIKE KELLY (Eden-Monaro—Parliamentary Secretary for Defence) (10:44): by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

COMMITTEES
Treaties Committee
Report
Mr KELVIN THOMSON (Wills) (10:45): On behalf of the Joint Standing Committee on Treaties I present the committee's report entitled Report 126: Treaty tabled on 21 November 2011.
In accordance with standing order 39(f) the report was made a parliamentary paper.
Mr KELVIN THOMSON: by leave—I present the Joint Standing Committee on Treaties Report 126: Treaty tabled on 21 November 2011 which contains the committee's views on the Anti-Counterfeiting Trade Agreement, which was tabled in the Australian parliament on 21 November last year.
The Anti-Counterfeiting Trade Agreement, or ACTA as it is known, has been the cause of much controversy. Thousands of people have taken to the streets in Europe to protest against it. The committee's review of the agreement has
brought a greater understanding as to why. ACTA is an agreement designed to strengthen intellectual property standards around the world. It focuses on trademark and copyright enforcement and establishes a legal framework for intellectual property enforcement. ACTA has received support from Australia's performing arts community and the committee strongly supports protecting their rights.

It is not ACTA’s intent that the committee is concerned with. The committee is concerned that, despite ACTA’s intent, it exhibits a number of flaws, and the committee is not yet convinced that the agreement in its current form is in Australia’s interest. We have asked for further analysis and clarification to be undertaken. This analysis includes the existing Australian Law Reform Commission Inquiry into Copyright and the Digital Economy. The committee is concerned about the lack of clarity in the text, the exclusion of provisions protecting the rights of individuals, and ACTA’s potential to shift the balance in the interpretation of copyright law, intellectual property law and patent law.

The committee has made nine recommendations, the most significant being:

That the Anti-Counterfeiting Trade Agreement not be ratified by Australia until the:

- Joint Standing Committee on Treaties has received and considered the independent and transparent assessment of the economic and social benefits and costs of the Agreement referred to in Recommendation 2;
- Australian Law Reform Commission has reported on its Inquiry into Copyright and the Digital Economy; and
- Australian Government has issued notices of clarification in relation to the terms of the Agreement as recommended in the other recommendations of this report.

It is very noteworthy that this is a unanimous report—government, opposition and Greens MPs and senators, with very different perspectives on many issues, have worked hard to produce a unanimous report and I commend my fellow MPs and senators on the spirit in which they approached this important task.

The committee has also recommended that:
In the event that the Australian Government ratifies the Anti-Counterfeiting Trade Agreement (ACTA), the Government prepares legislation to:

- Exclude patents from the application of the civil enforcement and border measures parts of ACTA;
- Ensure that products produced in Australia as a result of the invalidation of a patent or part of a patent in Australia are not subject to the counterfeiting prohibition in ACTA; and
- Ensure that the expression ‘counterfeit’ in ACTA is not applied to generic medicines entered or eligible for entry on the Australian Register of Therapeutic Goods.

With an eye to the future, the committee has also recommended:

That National Interest Analyses of treaties clearly intended to have an economic impact include an assessment of the economic benefits and costs of the treaty, or, if no assessment of the economic benefit of a treaty has been undertaken, a statement to that effect, along with an explanation as to why it was not necessary or unable to be undertaken.

The international reaction to ACTA, which, without exception, comes from countries which the committee considers would have the same interests as Australia, must also be taken into consideration. The committee has recommended that, given their importance in the world economy, Australia should also have regard to ACTA's ratification status in the European Union and in the United States of America. It must be said that ACTA's future is currently in the balance.
In Europe, Germany has not signed ACTA, and will not do so until the European Parliament has expressed an opinion; Switzerland has postponed signing ACTA until issues relating to personal freedoms have been clarified; a motion has been passed by the Dutch lower house recommending ACTA's rejection; Poland has suspended consideration of ACTA's ratification until at least the end of 2012; the Czech Republic has suspended the ratification process until further notice; the Slovak Republic has suspended the ratification process until further notice; and Bulgaria has suspended consideration of ratification until European Union member states elaborate a joint position on ACTA. ACTA was referred to the European Parliament's 31 member International Trade Committee which, in a 19-12 vote on 21 June, recommended the European Parliament reject the agreement. The European Parliament itself will vote on the 4 July. Given all these events, it would be prudent for Australia to take the cautious approach that the committee has advocated. Mr Deputy Speaker, on behalf of the committee, I commend the report to the House.

Ms PARKE (Fremantle) (10:50): by leave—I am pleased to have this opportunity to speak on Report 126: Treaty tabled on 21 November 2011 of the Joint Standing Committee on Treaties regarding the Anti-Counterfeiting Trade Agreement known as ACTA. As the committee chair has noted, the committee's report is timely, coming as it does just a few days after the International Trade Committee of the European Parliament, INTA, voted to adopt the EU Rapporteur on ACTA David Martin's draft opinion proposing to reject ACTA.

The enormous disquiet regarding ACTA not only in the EU but also in the US, as covered briefly in chapter 8 of the committee's report, as well as the strong evidence given by many respected academic and professional experts in the field highlighting the numerous problems with ACTA, support the treaties committee's approach of exercising a high degree of caution in relation to this treaty.

Contrary to other multilateral agreements on intellectual property, such as the Agreement on Trade-Related Aspects of Intellectual Property Rights, or TRIPS, ACTA has been regarded—wrongly in the view of many experts—as a trade agreement, and thereby negotiated in an exclusive club approach in a secret and non-transparent manner outside of the usual fora established to address IP issues, namely the World Intellectual Property Organisation, WIPO, and the World Trade Organisation, WTO. The committee's report rightly highlights the many worrying aspects of the agreement and of the NIA that is being used to put the case for Australia's ratification of ACTA, including the absence of any economic cost-benefit analysis, the absence of justification for proposed new criminal penalties, the omission from ACTA of individual protections codified in the TRIPS agreement and the vagueness of terms used in ACTA such as 'intellectual property', 'piracy', 'aiding and abetting' and 'commercial scale'. While ACTA's title suggests it is aimed at copyright and trademark infringement only, the use of the term 'intellectual property' throughout the text import patents into the agreement.

As Dr Martin Cross representing the pharmaceutical group Alphapharm noted in his evidence:

The issue is that as soon as you extend it beyond trademark and copyright into intellectual property, you get into the area of patents. Patents are extremely grey, and the only way this is resolved these days is through complex legal proceedings. So you open up, in effect, a Pandora's box of issues by allowing the extension of the NIA to include patents.
of ACTA into intellectual property. Unfortunately, the drafting of that allows that to occur.

Dr Hazel Moir of the ANU noted that the term 'piracy' in ACTA provides a misleading impression and is pejorative and inappropriate. She said:

… it is a very nasty political ambit claim when what we are actually talking about is unauthorised use.

Dr Luigi Palombi of the ANU noted that, because the agreement's language is ambiguous, confusion will exist between goods that infringe intellectual property rights and goods that are pirated or counterfeited. Dr Matthew Rimmer pointed out that the Copyright Act does not even use the term 'piracy' so its inclusion in ACTA is unnecessary.

Participants in the inquiry noted the lack of evidentiary proof in the NIA of the so-called counterfeiting and piracy problem and expressed concern that ACTA may not comply with the Washington Declaration on Intellectual Property and the Public Interest. For instance, it does not ensure that legal penalties, processes and remedies are reasonable and proportional to the acts of infringement they target and do not include restrictions on access to essential goods and services including access to the internet or to needed medicines and learning materials. Also, that ACTA fails to avoid excessively punitive approaches to enforcement such as disproportionate statutory damages, undue expansion of criminal and third party liability and dramatic increases in authority to enjoin, seize and destroy goods without adequate access to procedural safeguards.

Associate Professor Kimberlee Weatherall noted the over-criminalisation contained in ACTA and the very wide possible interpretations of expressions such as 'aiding and abetting' which could, for example, include any site incidentally linking to or mentioning a website with infringing content. Former Australian diplomat Ms Anna George—who I note is in the gallery today—explained that the key NIA assessment that no new legislative measures are required to implement obligations under the ACTA in Australia is too narrow a basis by itself for assessing national interest given that, 'unlike other property rights, IP has a long tail of legal and financial consequences affecting economic and social policy and intrudes in complex ways into private lives.'

Indeed, the list of frightening issues surrounding ACTA—in the way it was negotiated, in the content of the treaty itself and in the significant community and governmental opposition to the treaty around the world, particularly in Europe—indicated to me and to other members of the committee that Australia should be extremely wary about ratifying such an agreement in its present form. Hence the strong recommendations of the committee.

I thank those who made submissions and gave evidence to the committee and I commend the work of the committee and the secretariat in producing this report. I particularly want to pay tribute to the chair for his efforts to achieve consensus among committee members on this important issue for Australia; an effort that has resulted in a unanimous report.

BILLS

Higher Education Support Amendment (Student Contribution Amounts and Other Measures) Bill 2012

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.
Amounts and Other Measures) Bill 2012. The bill before the House today seeks to reinstate the full student contribution amount for people enrolled in maths, statistics and science units of study at tertiary institutions to the pre 2009 levels.

The axeing of the discount, which came into effect under the Rudd Labor government in 2009, will impact all domestic students who commence units of study after 1 January 2013. This bill will also affect Australian citizens who plan to study their maths, statistics and science units overseas through online providers like Open Universities Australia. Students who do not reside in Australia for their study will no longer have access to Commonwealth supported places and the Higher Education Loan Program. The bill, however, will not affect students who undertake a formal exchange study program overseas.

The discount to the student contribution amount for key subjects was introduced when Prime Minister Gillard was the minister for education. This backflip, which is yet another one for Labor, will see the contribution amount reclassified from the national priority band rate of $4,696, to the band 2 rate, which will be $8,353. These changes were originally only intended to affect new students in maths, statistics and science courses, but that has since been changed to include all continuing and new students who enrol in those units after 1 January 2013. The government has justified the removal of the discount by saying that the policy did not deliver a noticeable increase in maths and science graduates. But I feel it is a step backwards in attracting our best and brightest into areas where we critically need them. In fact, it is highly likely that many students in recent years may have commenced study in degrees in maths and science under the assumption that the discount to their student contributions would apply throughout the duration of their course. I am concerned with any measures that would have the effect of discouraging students from studying maths and science subjects, and also engineering subjects, at tertiary levels.

As we saw in the Mathematics, engineering & science in the national interest report published by Dr Ian Chubb last month, science and maths enrolments are falling at 'dangerous rates'. The report shows that between 1992 and 2009 year 12 enrolments in biology fell by 32 per cent. They fell in physics by 31 per cent and they fell in chemistry by 23 per cent. Dr Chubb says that while you cannot force students to study degrees 'in the national interest', making maths and science subjects more interesting could be the key to improving participation rates. Dr Chubb's sentiment is echoed by the principal of the Australian Science and Mathematics School in Adelaide. Principal Susan Hyde has admitted that science and maths at school can be 'boring' and that is why she advocates for sparking students' interest in maths and science in primary school through an innovative curriculum. When you think about it, it really is a common-sense approach to dealing with young minds that are prone to wandering.

I have firsthand experience with one of the online programs that is currently available, called Mathletics, and I have seen how it does engage the younger students. There are other programs including online programs available, but my experience has been with the Mathletics program. Why is it attractive to these younger minds? I think there are a number of reasons. Firstly, it is an online program so it certainly engages our younger students who seem to favour working online rather than working from hard-copy textbooks. Also, it is an innovative and fun program so it engages our
young students in learning whilst they are still having fun playing games. It is almost teaching them about maths whilst they are engaged in a fun and interactive online program. Clearly, engaging our young students is a critical step in generating an interest in maths and the science subjects.

The Australian Academy of Science has also been vocal in its efforts to convince the federal government to spend more energy on encouraging students to pursue mathematics and science units. The number of young people studying maths and science at high schools and universities has been in steady decline for two decades, according to academy president Professor Suzanne Cory. Professor Cory has expressed concern that Australia is slipping behind neighbouring countries in maths and science in secondary school grades and that our workforce is lacking young people with adequate maths and science skills. I believe that we must be proactive in trying to attract more students to maths, science and engineering subjects. Part of that will be addressed through properly identifying the target groups. One of those groups is female students whose take-up rates in traditionally male dominated subjects are proportionately low.

There are numerous articles explaining how the engineering sector could be improved with more women. The Queensland President of Engineering Australia and University of Queensland mechanical engineering lecturer, Steven Goh, actively encourages female high school students to pursue science, technology, engineering and maths subjects in his role as an ambassador for the Women in Hard Hats initiative. Mr Goh says a successful engineer requires ‘good communication skills, creativity, innovation, critical and analytical thinking and the ability to find and solve problems’. He says females in particular are capable of excelling in these attributes. But while that may be so, it seems the message, albeit incredibly positive, is not getting through to young women.

Currently only 14 per cent of engineering students at universities in Australia are female. It is a figure that needs to be seriously addressed by our education bodies. They could start by encouraging female high school students and even primary school girls to challenge themselves and even society, which still dictates to an extent that the engineering industry is a largely male domain. Figures released in April this year show year-12 female students in Queensland were largely represented in arts and humanities subjects in 2011. Dance attracted 92.6 per cent of the cohort, closely followed by home economics and tourism. Technology subjects were clearly less popular with girls, with engineering technology only drawing 5.3 per cent. We need to ensure female students get the right support to reach university and go on to challenging and rewarding professions.

Current statistics show take-up rates by females have improved. It should be noted that there are more women enrolled in engineering courses than there were just 20 years ago, and that is a positive. In 1983, fewer than six per cent of students commencing engineering degrees in Australia were women. I myself graduated as a mechanical engineer in 1983. There were only two women engineering graduates from the Queensland University of Technology in that year, both in mechanical engineering. So the numbers have improved, but they are significantly lower than they should be.

Engineers Australia has noted a steady increase in the number of female engineers over the past few years. The latest available census data shows that approximately 23,000 or 10.5 per cent of the engineering labour force are women. As a mechanical engineer,
I would like to see more young people expand their curriculum choices to take in senior level mathematics and science. It is very disappointing to see the government pull a policy aimed at attracting more maths and science graduates. But, like so many of Labor's initiatives, it should not come as a surprise that it was not successful.

Fortunately, however, there are a number of programs already in place for our schools to access which actively encourage students to embrace science and maths. The CSIRO has been running Scientists in Schools for a number of years. The program involves a scientist mentoring students on their science projects, helping school teachers run activities and organising visits to their workplace. When you think about it, what could be better for a budding scientist than to see a professional in action?

Another initiative run by the CSIRO is CREST, which encourages students to pursue topics of particular interest to them, and that is a great way to keep students engaged and feeling in control of their learning. Under CREST, the subjects do not have to be taught in the classroom; learning can be accomplished through projects or extracurricular activities.

A fun, problem-solving interschool program for students of both primary and secondary school years is Tournament of Minds. Students are faced with open-ended challenges from four disciplines, including applied technology and maths engineering. The tournament allows students to demonstrate their skills in a public way and the program attracts thousands of young participants with a passion for learning from across the country.

Australia needs to develop as an educational centre for excellence, rather than become an educational backwater because of government inhibitions. We need more Victor Changs and Professor Ian Frazers who help advance our understanding and contribute towards the wellbeing of our country and the world. The only way to do this is to encourage education and to encourage study in fields where there is a critical need.

The Gold Coast, where my electorate is based, already has the infrastructure to develop into an education city and it has the potential to benefit from growth in the higher education sector. I have outlined to the House previously on a number of occasions my passion for a fly-in fly-out hub at Coolangatta airport. For the proposed hub to become reality, the Gold Coast would need to invest in mining and resources education and training. I am certainly working with local training providers at all levels as well as with industry bodies to make this become a reality for the Gold Coast. Notwithstanding the develop of a FIFO hub, any growth in the Gold Coast's higher education sector would greatly help the local community by bringing in increased income for local businesses and providing a skilled workforce for the city and the rest of the country.

Goals like these are important in helping to grow our nation, but this current government's policies are making the pathway to success increasingly rocky. Australia deserves a government which takes full advantage of opportunities. The higher education sector is vital to the success of our nation. Only through giving our students the right tools to make their way in the world can we ensure the future prosperity of our country. If the government continues to act as it has for the past five years, the lives of thousands of students will be affected.

As a member of parliament with two universities and many other registered training organisations in my electorate, I will continue to stand up for the higher education
sector. Our hard-working students deserve a fair deal. They are, after all, the future leaders of Australia.

Dr LEIGH (Fraser) (11:09): Graham Freudenberg recalls in his book *A Certain Grandeur* Gough Whitlam was asked for concrete example of equality. Whitlam replied, 'I want every kid to have a desk with a lamp in his own room to study.' One can argue that for Whitlam the light on the hill shone from that lamp on the desk. I would like to think that at some of those desks they would be studying the sciences and mathematics, fulfilling their curiosity and passion for new insights and a deeper understanding of the world, building and developing skills that will enable them to make new discoveries, create innovations and be part of breakthroughs that will revolutionise our way of life. The sciences and mathematics are vital fields of knowledge for our prosperity and for our place in the world. Labor recognises this, which is why we are taking evidence based steps to ensure we foster the critical thinking, reasoning and creativity the sciences engender.

I want to outline the importance of supporting study in the sciences and mathematics and how this bill targets incentives for study in these areas. The *Mathematics, engineering and science in the national interest* report noted:

There is a global perception that a workforce with a substantial proportion educated in Mathematics, Engineering and Science (MES) is essential to future prosperity.

But it noted that Australia's graduation rates in maths, engineering and science are low by international comparison. Globally, policies are emerging that focus on science and technology recognising that Australia, like the rest of the world, needs to increase our investment in sciences and mathematics. I commend Chief Scientist, Ian Chubb, formerly my vice-chancellor at ANU, for his activism on these issues.

The Chief Scientist recently published a paper comparing Australia's science, research and innovation system with other developed nations. He found we had a similar percentage of researchers in our workforce compared to North America and Europe. We have a low number of researchers working in business enterprises with relatively high numbers working in higher education. So the bulk of Australia's research and development in these areas takes place in universities. We are fortunate to have that base in universities, but the challenge for Australia is to capitalise on this and build more researchers and innovators in industry. The more students we have educated in maths and science, the more workers we will have in the workforce who are pursuing research in these areas.

I recently visited the Research School of Physics and Engineering. Professor Stephen Buckman, the director of the department, invited me to visit and to see the research taking place there. ANU school of physics is built around three big picture themes: quantum science and technology, advanced materials and technology, and energy and environmental science and technology. I got a chance to see Australia's largest accelerator and the H1NF National Stellarator Facility. They are doing impressive work at the ANU.

Earlier this year Professor Brian Schmidt, winner of the 2011 Nobel Prize in Physics, made the following comment when talking about funding extension of his research. He said that hiring extra staff at the facility allowed him to spend more time promoting science as a career prospect for young Australians. He said:

… science is a great career and I think we undersell it. There's this misbelief [within the community] that by being a scientist we are somehow making a sacrifice but we are very well
supported in this country right now … and I think it really shouldn't be anything other than the first choice for our best young men and women across the country.

This was an optimistic vision from Professor Schmidt when he took time from his busy schedule to speak to a cross-parliamentary group of members and staff organised by myself and the member for Bowman. At the announcement of the extension of the Professor Schmidt's laureate fellowship, Minister Evans commented:

Everyone understands that we've had a drop off in interest in science … And one of the greatest vehicles we've got for that is using Brian's abilities to communicate and his standing in science.

I want to take a moment to note a few other innovations in this area. Melodie Potts Rosevear, Teach For Australia's founder and CEO, and Tanya Greeves, a teacher at Lanyon High School, came to parliament this week to speak with members and staff about the Teach for Australia program, which is, I think, one of the great ways of getting talented scientists into high school classrooms. Indeed, in the 2012 Public Education Excellence Awards in the ACT, it was a Teach for Australia teacher, Igraine Ridley-Smith of Calwell High School, who received the New Educator of the Year award—a testament to the ideas that she is conveying to her science and mathematics students.

Australia is fortunate to be hosting at the University of Queensland the International Olympiad in Informatics in July 2013. I commend Dr Benjamin Burton and his colleagues for the work they are doing to organise that important international event. Last week in this House the Parliamentary Friends of Women in Science, Maths and Engineering was convened by the members for Kingston and Higgins. The guest speaker was Professor Elizabeth Blackburn. I had the pleasure of chatting with Carola Vinuesa, Mahananda Dasgupta and other scientists in the ACT about the research they are doing.

Mathematics, statistics and science are classified as national priority units of study, so students are charged a reduced maximum student contribution amount for those units. But the 2008 Bradley review of higher education found that there was no evidence that lower student contributions had a positive impact on student demand. We thought when we were setting this policy up that it would have a positive effect, but the evidence found otherwise. We are therefore changing the policy. I would call on those opposite to likewise listen to the evidence when it is as clear as it is in this case. The policy was found not to be well targeted. It did not deliver value for money. Accounting for growth in the higher education sector, it was estimated the government paid over $150,000 for each place gained through transitional loading in 2010.

This bill amends the Higher Education Support Act 2003 to increase the maximum student contribution amount for mathematics, statistics and science units of study for all students from 1 January 2013. The maximum student contribution for students enrolled in science and maths units will increase to $8,363 in 2013. We will be using the savings from these fees to support additional investments in the new demand driven funding system for universities.

Just as the expansion of Australia's universities supported by HECS in the 1980s and 1990s brought about a revolution in higher education, so too will demand driven funding under this government expand the number of students who go to university. It is always pleasing to me when I meet a student who is the first from their family to attend university. There will be many more such students thanks to these reforms. The total
level of funding provided to universities for mathematics, statistics and science units will be maintained with the government reinstatement of the maximum student contribution amounts for students who enrol in mathematics, statistics and science units.

As mathematics and sciences are priority units of study, we still want to encourage and provide incentives for students to study them. In this year's budget we announced $54 million for a range of measures to encourage the study of mathematics and sciences. Graduates from a natural and physical sciences course with a HECS-HELP debt who work in a relevant field can have their compulsory repayments reduced by more than $1,600. Those who work as a maths or science teacher—as Ms Ridley-Smith does—may qualify for both the HECS-HELP benefit for maths and science graduates and the HECS-HELP benefit for teachers. They can have their compulsory repayments reduced by more than $3,000. We believe that these measures will be more cost-effective than allowing students to pay a reduced student contribution amount and having the government paying transitional loading to universities. We are moving from policies that did not work to policies that will work.

The government does not believe it is appropriate that students residing overseas continue to receive large subsidies towards obtaining a higher education degree from an Australian university, so the residency amendment ensures government assistance is restricted to study predominantly completed within Australia. I am somebody who benefited from overseas study, but I believe it is appropriate that the Australian taxpayer support higher education that takes place in an Australian university. The funding priority should be those students who are most likely to pursue a career in Australia, to commence repayment of their HELP debt and to use their education to benefit Australia's workforce and economic needs.

The number of students currently enrolled with an Australian provider and not residing in Australia is relatively small. In 2010, for example, there were only about 1,000 full-time students enrolled in Commonwealth supported places or accessing FEE-HELP who resided overseas. With the growth in Commonwealth supported places under the demand-driven model for university funding and the growth in online delivery, it is important to clarify eligibility conditions before there are further increases in the number of students who are being assisted by the government and who do not live within the borders of this country.

The bill removes eligibility for Commonwealth supported places and the HELP schemes for Australian citizens who commence a course of study on or after 1 January 2013 where a higher education provider reasonably expects that the person will not undertake any of their course of study in Australia. Students undertaking study as part of a formal exchange or study abroad program for some of the units in their course, including those students receiving assistance through the OS-HELP system, will not be affected by this change. The changes ensure that government assistance is restricted to people who will retain a strong attachment to Australia.

The reduction in student contributions for mathematics, statistics and science units has not been effective in substantially increasing the number of students undertaking study in these areas at university. This government has a passion for education and we have a passion for evidence. Because of these passions, we have doubled investment in school education. We are providing more information to parents than ever before through the My School and MyUniversity
websites. We now have an additional 150,000 students attending university. It is absolutely vital that we support the study of mathematics and science. It is critical education policy, and it is vital to Australia’s productivity in the future. But we must have the right tools to do the job.

The third-year university students who dedicate their summer holidays to work at the CSIRO and be part of new research and innovation show that the passion for mathematics and science is still there. You only need to take a stroll through Questacon to see the excitement in science among young Australians. We need to encourage that excitement at school through such things as: Teach For Australia; at university, the hard work of groups such as the ANU physics school; here in the parliament, groups such as the Parliamentary Friends of Women in Science, Mathematics and Engineering; and the right, effective policies at our universities.

The light of opportunity Whitlam spoke of as shining from a desk lamp is for our maths and science students also the light of discovery, of innovation, of prosperity. This government wants the light to shine even brighter. I commend the bill to the House.

**Mr LAMING (Bowman)** (11:22): The changes that we debate to the Higher Education Support Act in the Higher Education Support Amendment (Student Contribution Amounts and Other Measures) Bill exemplify a Labor government that is confused and interfering in higher-education policy. The previous speaker, the member for Fraser, made a florid attempt to disguise this bill as evidence-based policy when in fact it represents little more than a backflip and a sell-out of the many maths, science and statistics students who undertook their courses trusting the government of the day.

We have agreed that there are areas of national workforce priority—nursing and education among them—and that for a time, certainly since 2008, this current Labor government extended a discount HELP fee of not $7½ thousand per unit but closer to $4,000 for those in the physical sciences, essentially. This was an important and universally welcomed policy from the then Labor government and the previous Prime Minister. Today I am not making an attack on what is being brought before this House or making any effort to suggest that we will vote against the bill, but I think that Labor’s constant policy interference needs to be pointed out in this chamber. This interference by a government that simply cannot make up its mind has been a constant annoyance for the tertiary education sector.

Bruce Chapman, an expert in income contingent loans, has done some great work out of ANU. It is all very well to say that the demand inelasticity for study simply does not support the evidence that reducing the price to study gets more people doing it, but the evidence in fact says otherwise. We know that from as early as 2009, after the changes made in the previous year, there was an increase in both applications and enrolments. We know that in the first year applications alone increased by 17 per cent and that in the second year—2010—they increased by 13.1 per cent. When we look at enrolments there is a similar story: up 13.6 and 9.6 per cent against nine and six per cent for the rest of the tertiary education sector. That is a significant influx of new people which we can only put down, when comparing it to the rest of the student cohort, to the intervention that reduced the cost of study in the areas in question.

It is up to this government to note this, faced as it is with information that extends right through 2012 when the largest increase in enrolments was by 10 per cent in the
physical sciences. This shows clearly that we were on the path to fixing the problem. The government suddenly wants to change tack, to not grandfather any students whatsoever and to say that as of next year once again all the rules are changing—and doesn't that sound familiar from other areas of this government's conduct. Those changes mean that, whether you are halfway through a degree, close to completion or just finishing your first year, up go these fees per unit to $8½ thousand. That is right—if you are studying maths, science or statistics in some way you are now less needy than those doing nursing or education. The fact that there was no grandfathering indicates the level of fiscal panic, with which we have become familiar in this government. Is there an inability to roll out parallel, concurrent and more effective measures? No, the government is simply chopping away what it promised to do in 2008 and then promising that there is a whole host—as the member for Fraser said, a whole swathe—of new measures which are likely to be more evidence-based and even more effective. That is nothing more than an idle promise. The government is leaving entire cohorts stranded and paying double. These cohorts are stranded and will not have the promise fulfilled that the government made.

Andrew Norton from the Grattan Institute referred to this constant introduction and withdrawal of incentive measures. There is almost a form of tertiary education sovereign risk, which is that students today simply cannot trust their government to make one decision and stick to it through the period of their study. That is what is so completely clear today. The saving is around $315 million over the forward estimates, which is not insignificant. But let us remember who is paying for this saving. They are students of maths, science and statistics—the very people who responded to the government's call in 2008. The previous Prime Minister was elevated by many for his great words about rescuing science and allowing for the growth of CSIRO by recentralising the role of that group in the nation's psyche and providing for its needs, but that has all been thrown out in the rush for a surplus and a petty political promise, which comes directly from the pockets of students.

That is right—there are plenty of areas where one could have saved and there are plenty of memories of the waste which we are rolling through while listening to this debate. But the government have hit up the students of science and maths, who will in turn become our future maths and science teachers in secondary schools. Around the country we see campuses holding up their hands looking for new graduates to take up the challenge. We talk about $150,000 being a large price to pay. But what is the price high schools pay when they cannot get a great maths teacher to inspire the next generation?

We have had this debate and agreed that our maths and science students and our enrolees who become graduates and then teachers of the next generation are incredibly important for Australia's future. Little has changed between 2008 and now. In fact, all that has changed is that the government's intervention delivered more graduates—more people willing to take on this really important area of intellectual pursuit only to have it ripped away from them in a MYEFO last year. This was done for no reason other than to meet this government's grubby attempt to fulfil its political promise of a surplus.

While we are not going to oppose this bill and while we recognise that in a time of fiscal pressures we have to support certain elements of savings, let no-one forget when listening to this debate or reading it in the
years ahead that this Labor government—the self-professed friend of the student—reached into the pockets of science, statistics and maths students and made them pay twice as much per unit because it had to find some way to deliver the surplus it promised two or three years before. Let us remember that when the options appraisal time came we had an education minister who chose to hit the most vulnerable but also potentially the most valuable graduates we can ask for after nursing and education. Let us and all the future scientists never forget that it was this government that embarked on a two- or three-year sensible policy of attracting more students into the field only to rip the carpet out from under them in 2012.

There are a certain number of changes which people can expect to be inevitable, but there is no need to be enforcing this on thousands of students around the country who believed and trusted the government. There were plenty of options to grandfather this, which this government has chosen not to do. There were plenty of options to roll out concurrent measures which might potentially have been more effective or more targeted, but no—the government elected not to do that either. This was a late-night drawing of lines through programs to desperately find a way to achieve a surplus because, after three years of ill discipline and of spending money where it did not need to be spent, this government now finds itself with the cupboard bare. It finds itself in the pickle that it cannot meet a political promise, and it is because of this that we see the victims we are seeing today.

People responded to this initiative. I accept that the Bradley review found that the money could have been targeted in better ways to achieve similar outcomes, but that is cold comfort once you have started studying. The shock to a student of having enrolled for a science or a maths course and being halfway through it having budgeted to get through the degree and found a way to work part-time to get through only to be hit by the doubling of fees which is effectively achieved by this government's return to band 2 charging—which means over $8,500 per course—should not be underestimated. Many students do not have the luxury of switching from one course to another. Many of them are too far through their degrees to be able to do that in an efficient way.

This government made a commitment to this nation to assist and to recharge the forces that we need in schools, TAFEs and universities around the country and to re-energise the teaching of maths and sciences. We identified this as a priority a decade ago. It is not inappropriate to use the HELP system to achieve those outcomes. The evidence that the government does not fully support what it is proposing today is that the discounts will remain for other fields of study. The question we should all be asking is: what is so different about studying maths and sciences? What is the government proposing to do if its new changes are not as effective? The figures that we have presented today are not insignificant; they are significant increases to have the physical sciences at 10 per cent this year. As this is the fastest growing area of enrolments, clearly something was working well.

In closing I say that we have a government that is inconsistent. We have a government that is penny-pinching and nickel-and-diming some of the most vulnerable who are studying as undergraduates at present. Exemplified in this bill is a form of sovereign risk where people cannot trust that the government is not going to twiddle the knobs again next year in some way. It is a government that does not respect that when it makes a promise to a student there is some chance that the promise will be stuck to, at least
through the period of that student's undergraduate study. We have a government that is using the evidence available to it through the Bradley review which suits its fiscal benefit but not necessarily the long-term needs of Australia.

Those out there who are concerned that maths and science will not be adequately staffed by inspired and educated Australians of the future should be looking at this legislation. It will be remembered in history as an opportunity this government had, despite a bit of political pain, to support this cohort. That support has been removed and the government has saved a few hundred million dollars in the process. We hope that the measures it has put in place in return will be just as effective in making sure we continue to see spirited growth for those in the physical sciences, because we are nowhere near fixing the problem. These 10 per cent increases over the last three years are simply not enough. We will need much more than that, and this opposition will be watching closely to see that the government's measures are effective and that those measures are not a form of penny-pinching for the government to meet its commitment to a political surplus in the year 2012-13.

Mr BANDT (Melbourne) (11:34): Anyone listening to this debate would think that there is fervent opposition to the measures in the Education Support Amendment (Student Contribution Amounts and Other Measures) Bill 2012. The coalition is supporting the government's measure, but I rise to speak against the measures in this bill.

Schedule 1 of the bill increases the student contribution amount for mathematics, statistics and science units of study from 1 January 2013. The Greens oppose this measure because we believe that government investment in science is critical to ensure that this country is well positioned for a low-pollution, post-carbon economy. If we are to meet the challenges of addressing climate change and the transition to a sustainable society then we must invest in science. More than that, if we are to have an economy which can compete in the world when the mining bubble bursts, we are going to need massive investment in science and education. Our future economy will rely on high-quality science and maths education in this country.

Unfortunately, we rank in the bottom half of OECD countries—we are 20th of 30—when it comes to the number of university graduates emerging with a science or engineering degree. In 2008 the government reduced HECS contributions for maths, statistics and science from $7,260 per unit to the lowest level of $4,077, equivalent to the national priority places for education and nursing. As a result of that, in 2009 undergraduate applications for natural and physical sciences went up by 17.1 per cent compared with 2008 and increased again in 2010 by 13.1 per cent. According to the Department of Education, Employment and Workplace Relations:

… the two years' growth more than reversed the declines in demand for this field between 2004 and 2008. This growth follows a suite of measures introduced in the 2008-09 Budget to encourage enrolments in Mathematics and Science.'

In 2009 the now Prime Minister and then Minister for Education, Employment and Workplace Relations welcomed those increased applications, stating that the 17 per cent increase was 'reversing declining interest and falling applications since 2004'. In my electorate, the University of Melbourne science program went from approximately 800 students in 2007 to 2,000 students in 2011, more than doubling in four years. The government appeared to recognise the long-term need to encourage students into science and maths by introducing the
priority HECS rates. However, it did not take a long-term approach when it cancelled the priority rates last year—a move that would almost double HECS fees for new maths and science students. How can science and maths be national priorities and then, three years later, not be?

In the original MYEFO announcement we were told existing students would be spared the increase but this is no longer the case. Students who began their studies under one set of financial rules will be hit with a HECS increase they could not have foreseen, did not expect and do not deserve. While wealthy mining companies get close to $9 billion a year in handouts, we should not be taking close to a billion dollars from science and maths education to balance the budget. This saving is a false economy. We welcome the government's budget measures which reinstate funding for important programs in maths and science education in schools. The $54 million government investment in programs such as Science by Doing and PrimaryConnections is welcome. Boosting maths and science education in schools is smart; cutting it in universities is not. Fifty-four million dollars is a lot of money but it is tiny compared to the amounts that will be removed by this bill.

I am also concerned that the government used the report of the Bradley review to justify the HECS increase. HECS fees for the sciences and for maths were lowered in 2009 when they were made a national priority—however the Bradley review was completed in December 2008. My concerns regarding these cuts were echoed by the Australian Academy of Science, which noted:

Australia’s robust economic future depends upon innovation. This is not the time to withdraw support for the next generation of scientists and mathematicians.

When the measures were announced last year the Australian Mathematical Sciences Institute asked, 'Where to now for maths and stats?' I ask this question again today. The government stated that they did not believe the reduced HECS rates for maths and science were delivering value for money. If they truly believe that, where is the alternative proposal?

We should spend more on science, not less. I note that the recent report by the Chief Scientist, Professor Ian Chubb, *Mathematics, engineering and science in the national interest*, opened with the observation:

There is a global perception that a workforce with a substantial proportion educated in Mathematics, Engineering and Science (MES) is essential to future prosperity.

I concur with that and the Greens concur with that. We need a culture that addresses national goals and prepares Australia for emerging challenges and opportunities. We need a culture that invests in science. We need a society that values research and innovation.

My vision is that Australia should increase both public and private expenditure on research and development until it represents three per cent of GDP. This call has been echoed by the Australian Academy of Science, which called for an increase in Australia’s research and development expenditure to at least three per cent of GDP by 2020. Research excellence is precious but researchers are often in a battle for survival, where costs are rising more quickly than the level of funding and career opportunities are limited. We should be encouraging people to study science and maths and creating career paths for them that harness and reward their skills. We can only benefit from such measures.

It will cost money in the short term but science and research are long-term investments and they should be made with a long-term vision. Dr Ian Dobson, who
reported to the Chief Scientist on the state of enrolments, is reported as saying:

These things take time. It takes a generation, but you just can't do it in the political timeframe. [Politicians will] never admit this, but basically they're just thinking of the next election and the next budget.

Unfortunately I think Dr Dobson is correct, but I suspect he would be happy if this House proved him wrong. I urge the government to reconsider, and I urge coalition members—who will no doubt make strong statements about the government measures—to justify their support for the government on this.

We live in a society where we are giving at least $9 billion in handouts a year to wealthy mining corporations who send up to 83 per cent of their profits overseas. We only get to dig these things up and sell them once. We should be taking some of the proceeds of this mining boom and setting ourselves up for the post-mining economy. That economy is not only going to be a low-carbon economy but one based on our brains—on science, mathematics, research and innovation. I heartily commend the government's $54 million investment in science and maths education but, given that it is dwarfed by the cuts to science and maths made by this bill, one wonders what it means for something to be a national priority.

Mr BRUCE SCOTT (Maranoa—Second Deputy Speaker) (11:42): I rise on this Higher Education Support Amendment (Student Contribution Amounts and Other Measures) Bill 2012. I want to say at the outset that the coalition will not be opposing this bill, but I want to make a few comments regarding science and maths being the target area of the cuts made by this bill.

As a nation we have to make sure that we are investing more in the sciences and maths and supporting those students who want to take on those courses to make sure that they get the best opportunities to study at university level—because it is the sciences and maths that will lead to research and development in a whole host of fields that are going to be so important to Australia's future in the world. It is also important that we be out there leading the world in many fields. I will touch on a couple of those issues in my address.

My other concern about this bill is that I would have liked to see the government grandfather existing students under the scheme. Those students who have taken on the sciences and maths in good faith, in the knowledge that they have the support of a government program. I acknowledge that the Bradley review found that the money could be better targeted. It is always important to support those things that target and spend taxpayers' money wisely and get the maximum 'bang for your buck' from taxpayers' money; but in this case it is the areas of maths and science that are subject to cuts that could well see students look elsewhere—perhaps overseas—for courses. We really do not want to lose this cohort of Australians. We want them not only to study in Australia but to get the best opportunity to apply their skills in the areas of science, research and development and maths which are so essential if we are to stay in front of the game in the future. We are a smart country and also a very lucky country. I often tell people in my constituency that we would be the luckiest country on earth, and by our very own birthright. I sometimes wonder whether all Australians truly appreciate just how lucky we are to be Australian. We are the luckiest country on earth. That, I believe, is unchallenged, and I will debate it with anyone, anytime, anywhere.

I mentioned the importance of staying in front of the rest of the world, but also of
making sure that we have our scientists and researchers and that—through what they invent or are able to develop through R&D—there are products that we can take to the rest of the world and have a commercial advantage from. I can think of one: Professor Ian Frazer developed a vaccine for cervical cancer. He is an Australian, Scottish born, and a great Australian—in fact, the Australian of the Year. That was a science development, developed here in Australia. It was groundbreaking. It has been an important breakthrough in the prevention of cervical cancer, providing women are vaccinated prior to a particular age.

I want to touch also on the issue of the great food challenge that we have in this country. We are a land that feeds not only ourselves but also something like 60 million people around the world every day, based on the value of our exports each year. If we are to continue to be at the forefront of that in the future then science, technology and R&D are absolutely essential elements.

In our plant and animal breeding programs, it is science that is going to give us the leading edge into the future, whether in cropping or horticulture. Science and R&D will provide the inventions that will make sure that we can beat the diseases that could, and often do, destroy crops. It will be science that will find those breakthroughs.

I have one very important research station in my electorate. I am very pleased that the new LNP government in Queensland has decided to make sure that the Hermitage Research Station, near Warwick—which does wonderful plant research, particularly on barley, sorghum and green leaf crops, related to Queensland and the hot tropical climates where many of these crops are grown, as opposed to the southern states of Australia—is retained and enhanced.

That is one element of it. But the other element of it is the researchers who work there, who are working on programs for crops, particularly barley and sorghum, and green leaf research. We need scientists. We need the best scientists, because that is science and that is a development that we can not only utilise in Australia to make sure that we continue to stay in front of the pack when it comes to food production, but also sell on a collaborative basis overseas.

Each and every day in the world today there are another 240,000 mouths to feed. To put it another way, that is an increase in the global population that is occurring each and every day. I mentioned earlier that Australian farmers each year feed some 60 million people outside of the 22 million we feed with clean, green and very affordable food in Australia today. To put it yet another way, there will be 40 million more within the next 12 months. There will be people out there clamouring for available food resources.

For those communities around the world, and for Australia, we have got to make sure that our R&D effort goes into being able to provide ever-increasing amounts of food in the limited agricultural land we have available—land that is continuing to come under pressure from the urban sprawl which so often occupies those food baskets that surround many of our capital cities. We need to make sure that we have the research and the scientists.

Scientists start their career path at university, and that is why I am sad to see what is in this bill, as to the science and maths areas, as it could well be those students who would be attracted to take on a career in these areas who will look at other options because of the cost to them or their families of studying at university, particularly in the areas of science and maths.
I do want to touch on another issue which is important in relation to this bill: how students get access to university courses. What is alarming me is this. I have seen higher education statistics for students; it was in 2010 that I originally saw these figures. The Australian participation rate for regional students at universities was some 18.23 per cent in 2010; in 2006 it was 18.08 per cent. So really there has been no significant shift at all in participation rates of students from regional Australia at university. The Queensland rate was 22.64 per cent in 2010 and in 2006 it was similar: 22.69 per cent. So there has been no substantial shift at all in the participation rates for students from regional Australia at university. Sadly, in remote Australia the national rate was 1.02 per cent in 2010. That is a tragedy for those students who are classified as living in remote Australia—and that is a vast amount of Australia; when you look at the ABS index of remoteness, it is a huge area. You might as well say 'no-one' if you have only got one per cent of students participating in university courses; you virtually have a nil sum when it is one per cent. The university participation rates for students from metropolitan families has increased faster—from 28 per cent to 35 per cent—than the rate for students from rural, regional and remote areas. The gap between regional and metropolitan participation has increased 12 per cent in the last six years. Whilst that is encouraging for those students who have access to university by virtue of where they live—and it is wonderful to see the participation rate increasing—I am concerned that we are not getting an increase of students from regional, rural or remote Australia participating in courses at university level. That is why I find this bill rather sad, because it is the maths and science areas that are targeted for a budget saving. We have got to make sure, if we are to be the smart country, that we have much better participation rates for students from rural, regional and remote Australia. I call on the government to make a greater effort to ensure that those students who live in regional, rural and remote Australia are supported to a greater extent than they have been in the past.

I believe that there is a real case, for both sides of the House, for providing a non-means-tested, post-secondary education access allowance to ensure that we can get more students from regional, rural and remote Australia. Whilst I know that the argument sometimes goes, 'There are scholarships available,' that will not meet the sort of demand that I think is out there and that is being hampered because of the lack of financial support for those students, particularly where their families just cannot afford it. They remain out there and these figures really do confirm that the participation rate for students aged between 19 and 21 from regional Australia is lower—21 per cent as compared with 35 per cent for metropolitan students. I call on the government to look at those numbers and make sure that we do all that we can to support those students who do come from regional, rural and remote Australia. We must increase the participation rate for those students who are from those agricultural and mining areas out there in regional, rural and remote Australia if they are going to be the ones most likely to return to regional, rural and remote Australia and work there. I call on the government to do more to make sure that we get financial support for those students. I think this bill is more about being a budget saving measure to see whether it can deliver in this financial year, coming on 1 July this year until 2013, a budget surplus—and only time will tell. I do not want to see the next generation of Australians, the next generation of scientists,
being the ones who are denied an opportunity to take on maths and sciences at university.

Whilst the opposition will not be opposing this bill, I think it is a harsh measure for students from regional, rural and remote Australia who are already behind the national figures for metropolitan Australia in terms of participation rates. It does cost them more, and this bill will certainly not encourage more students from regional, rural and remote Australia to take up courses at university level.

Ms GAMBARO (Brisbane) (11:56): I rise to make a very brief contribution on the Higher Education Support Amendment (Student Contribution Amounts and Other Measures) Bill 2012.

I am very fortunate to have an electorate that contains the Queensland University of Technology, referred to as QUT, which has campuses at both Kelvin Grove and Gardens Point. I am also a very proud graduate of QUT. I would like to particularly pay tribute to Vice-Chancellor Peter Coaldrake and his academic staff. They do a terrific job and I was very honoured to have the opportunity to tutor there before I came into this House in 1996 and then a couple of years ago in the business school before I re-entered the House. In the time that I taught at QUT, I taught a number of business and engineering students, particularly in the schools of business and international marketing.

I want to congratulate QUT on a number of areas but in particular on a course that has been developed under the stewardship of Professor Peter Little. It is a complex project management course which basically brings together the world's leading companies in the defence area—such as Lockheed, Boeing and many others—and the Department of Defence and works in those particularly complex areas of project management. It is a world first, and they really do need to be applauded. This is an area that gives us world capability, particularly in the areas of defence industries. But a lot of the people who are studying these courses would not have done so if they had not had a strong grounding in science and mathematics. Many of the students I see in the electorate of Brisbane who are studying at QUT are international and regional students. Many of my colleagues and others have spoken to this bill and have indicated that the coalition does not oppose this legislation. In fact, the intention of the legislation is very clear. It reinstates the student contribution amount for mathematics, statistics and science units of study to its pre-2000 level for domestic students completing a course of study on or after 1 January 2013. The bill also removes the eligibility for Commonwealth supported places and the Higher Education Loan Program for Australian citizens who commence a course of study after 1 January 2013 and do not intend to reside in Australia during their course of study.

The discount on the student contribution for mathematics, statistics and science courses was introduced by the Rudd government in December 2008, taking effect from 1 January 2009. Prime Minister Gillard was the minister for education with the absolute aim of encouraging more students to undertake these courses identified as being a great domestic need for graduates. It was the implementation of a 2007 ALP election commitment. The reversal of this policy stems from the MYEFO 2011-12 announcement of 28 November 2011. Tertiary education minister, Senator Chris Evans, said the reason maths and science undergraduates would have to pay the full rate of student contribution, which went up from $4,691 to $8,353, was that the government's policy of making them national priority areas had simply not delivered a
noticeable difference in the country's dearth of maths and science graduates.

If the minister was actually genuine, this announcement was effectively an admission by the government that their policy did not work. The government has also argued that the student contribution discount was opposed by the 2009 Bradley review of higher education in Australia. This policy rationale is, however, little more than a convenient excuse for a savings measure in the area of higher education.

The removal of eligibility for Commonwealth supported places and the Higher Education Loan Program schemes for Australian citizens studying overseas implements a 2012-13 budget announcement. The removal of the discount will affect all those who are currently undertaking maths, statistics and science courses in that, from 1 January 2013, they will have to pay the full student contribution for any units commenced after that date. At least some students have commenced their mathematics, statistics and science degrees in reliance on the fact their student contribution is discounted. The government is changing the position of the goalposts in the middle of the game.

I would like to put my concern regarding this on the record. If a student has commenced a course in one of the relevant areas, solely on the premise that they would not have to pay the full rate of student contribution, then they are clearly going to be hamstrung by this announcement. Perhaps the government could give us an indication of the number of students that will be affected in this way by these changes.

In addition, the government argues that the majority of students undertaking maths and science units following the discount coming into place in 2009 were not enrolled in a maths or science course of study, nor were they studying an education course. It was therefore clear the policy was not substantially increasing the number of maths and science graduates in the workforce as intended and it was not improving the supply of quality maths and science teachers. The coalition is not seeking to exempt those who have already commenced the relevant courses as this would have a significant revenue impact.

The removal of eligibility for CSPs and the HELP schemes for Australian citizens who commence a course of study after 1 January 2013 and who will not be resident in Australia for any of their course of study will affect those Australian citizens who are living overseas and intend to study online with Australian providers. Students undertaking study as part of a formal exchange or study abroad program for some of the units in their course will not be affected.

The government believes its funding priority should be to support those students who are most likely to pursue careers in Australia, commence repayment of their HECS debts, and use their education to benefit Australia's workforce and economic needs. The coalition agrees with this policy approach.

While the explanatory memorandum to this bill states that these amendments provide savings to the government of $1 billion over four years, it is interesting to note that the 2012-13 budget papers list the total savings as $340 million over the forward estimates. So perhaps the minister could clarify this apparent anomaly during his summing up on the bill. In conclusion the coalition does not oppose this bill.

Mr PYNE (Sturt—Manager of Opposition Business) (12:03): I thank my colleagues for going ahead of me on the list on this bill today. As the shadow minister, I
have responsibility for its carriage in the House but, given I was doing an Indigenous literacy and launch with the Minister for Families, Community Services and Indigenous Affairs and the Minister for School Education on the lawns of Parliament House, they have very kindly filled in for me in the intervening period.

I now rise to speak on the Higher Education Support Amendment (Student Contribution Amounts and Other Measures) Bill 2012. This bill seeks to reinstate the student contribution amount for mathematics, statistics and science units of study to its pre-2009 level for domestic students. The discount on students' contributions for these courses was introduced by the Rudd government in December 2008, taking effect from January 2009, while Julia Gillard, the current Prime Minister, was the minister for education.

This initiative was promised by the Labor Party during the 2007 election with the aim of encouraging more students to undertake these courses identified as being areas of domestic need for graduates. I think it was a well-meaning policy and the coalition had hoped—I think along with the government—that it had been more successful.

This bill reverses the policy that the Gillard government announced in the Mid-Year Economic and Fiscal Outlook 2011-12. Specifically, they announced that student contributions for mathematics, statistics and science units would return to the band 2 amount. As a result, maths and science undergraduates will now have to pay the full rate of student contribution, estimated to be $8,353 in 2013—up from around $4,690. The government has estimated that this measure will save them about $1 billion over four years from 2012 to 2016, so it is not an inconsiderable saving.

The student discount for maths and science has not been without sceptics since it was first announced. Shortly after the details were released by the Labor Party in 2007, the Vice-Chancellor of Macquarie University, Steven Schwartz, predicted a HECS discount would have little effect because it was seen as too far away in the future and abstract—that is to say that many students do not fully repay their HECS debts until many years after completing their study—and he thought the policy would fail to boost enrolments, given that students would not immediately receive any short-term financial benefit for undertaking these courses of study.

He came to this conclusion because the university had trialled a similar incentive in 2005. The university dropped its fees altogether in some advanced science subjects, including biology, physics and chemistry, in an attempt to make these subjects more attractive. But it became apparent that this did not significantly increase enrolments.

Professor Bruce Chapman, well known for his involvement in designing the architecture for our student loan scheme, also suggests that HECS discounts do not necessarily correlate with an increase in enrolment figures. Another well-known higher education expert, the Grattan Institute's higher education program director, Dr Andrew Norton, has also been very critical of the scheme. He suggests the discount for science students should never have been offered in the first place.

I find it interesting to note that the reasoning of the Minister for Tertiary Education, Skills, Science and Research, Senator Chris Evans, for discontinuing the scheme is not very dissimilar to what was predicted all those years ago by some in the higher education sector. Specifically, the minister—in his press release of 29
November 2011—in respect of the government's decision, suggested:

The reduction in student contributions for mathematics, statistics and science units since 2009 has not been effective in substantially increasing the number of students undertaking maths and science at university…

Students are predominantly motivated not by price but by their interests, abilities and career preferences when selecting courses.

Others have called on the government not to abolish this incentive and instead have argued for the scheme to be retained. But the most outspoken critic of the Gillard government's decision to axe this particular discount has been the member for Griffith, Kevin Rudd. I suspect, given his heavy objection on this issue, he will not be rising to speak in support of this bill; although, there is still the opportunity for him to do so, as the debate has not yet concluded and the opposition would be more than happy to hear his views on this particular matter.

Shortly before this year's leadership challenge in February, he expressed deep concern about the decision taken by the Prime Minister. Of course I have to specify the dates of these leadership challenges, as they come thick and fast in the Labor Party. So, just to be clear, it was the one in February 2012, not the one in June 2010 or the one that might well be coming today or tomorrow. The member for Griffith was quoted as saying, 'I am disappointed, deeply disappointed, at the government's decision to axe a scheme which I introduced.'

There are others in the higher education sector who have expressed disappointment about the decision. For example, when it was announced, then Chief Executive Officer of Universities Australia, Dr Glenn Withers, suggested the removal of the subsidy was 'disappointing' for students in these fields. For the most part, though, those who expressed disappointment over the decision have mainly been from student unions and the Greens—and, surprisingly, the member for Lyne, Mr Oakeshott. The member for Lyne vowed last year to fight this savings measure, in his response to MYEFO, suggesting that 'any cut to higher education funding, at a time when Australia's long-term strategy has education and innovation at its heart, is a concern'. The opportunity is there for the member for Lyne to come into the House, indicate that he will be voting against this measure, call a division and see what the result is. But I fear that the member for Lyne has forgotten that particular 'fight them on the beaches' speech that he made last year and that he has yet again rolled over for the government.

Alternatively, some stakeholders in the maths and science community have conceded that, while perhaps the incentive has not had the desired effect of boosting student enrolments, governments should maintain the search for sound policy solutions to increase the number of maths and science graduates—and that is a goal that both sides of the House share. In a rare moment of bipartisanship, both sides of the House agree we need more maths and science graduates. For example, Geoff Prince, Director of the Australian Mathematical Sciences Institute, argued shortly after the announcement that the HECS discount for mathematics, statistics and science should be replaced with more direct measures to encourage enrolments.

Given that there is mixed evidence on the success of this policy, the coalition has decided not to oppose the measure in this bill today. But I want to take this opportunity to talk about the need to reverse the poor state of mathematics and science education in Australia.

I flagged some issues around the government's lack of attention to the areas of...
maths and science toward the end of last year, as it had come to my attention that the government were increasingly failing to commit to a number of small school based programs designed to engage students in these areas. To me, this seems completely illogical. If evidence suggests that it is too late to get students interested in maths and science at university, common sense would suggest that we should concentrate even more effort in schools.

The coalition spoke out strongly in favour of continuing a number of school based programs and of engaging young people specifically in the areas of maths and science. For example, the government axed, without any sound reason, the coalition's PrimaryConnections program run by the Academy of Science. This initiative seeks to improve the quality and quantity of science teaching and learning in primary schools. I am sure if many members of the Labor Party had known about the importance of the PrimaryConnections program run by the Academy of Science, they would have spoken up against the axing in their Labor caucus, including the Acting Deputy Speaker.

The Leader of the Opposition pledged last year that if a coalition government were re-elected, we would spend $2 million to bring back the program. We recognised—as does the Australian Academy of Science and the 2011 Nobel laureate for physics, Professor Brian Schmidt—that it was not worth discontinuing this program, due to the risk of further decline in science education in schools. Brian Schmidt went even further to donate $100,000 of his own prize money to sustain the program. There is a man who has seriously put his money where his mouth is. The government's initial decision to cut funding for the PrimaryConnections program was raised by the coalition in the parliament on many occasions, including through a private member's motion—moved by the member for Forrest, Nola Marino, who is in the chamber today, demonstrating her very keen interest in science and maths education programs.

I also express deep concern about the government's initial lack of commitment to continue funding to the mathematics and science Olympiad programs, which have been operating since 1990 and which would be very familiar to members of this House who are good local members close to their electorates. The mathematics and informatics programs are run by Australian Mathematics Trust, and the physics, chemistry and biology Olympiads are run by Australian Science Innovations. Together, these programs engage tens of thousands of students each year and they have an international component where our most gifted and talented students have the opportunity to compete with students from around the world.

So concerned were we about the need to support our upcoming generation of maths and science innovators that the member for Indi and shadow minister for innovation, Sophie Mirabella, and I wrote a joint letter to the invisible minister for schools, Peter Garrett, and the then minister for innovation, Senator Kim Carr, urging them to continue the funding needed to support this program. It is interesting to note that both ministers did not bother to reply with an immediate confirmation to continue funding for these programs. In fact, the invisible minister for school education did not even bother to respond to the issues I raised with him in my letter. Instead, he handballed the issue of maintaining efforts for maths and science initiatives in our schools to the minister for innovation to respond to.

After ongoing concerns raised by the maths and science community towards the
end of last year, the government finally responded. Professor Ian Chubb, Chief Scientist, was commissioned by the Prime Minister to advise on replacement measures following the abolition of the HECS discount, for students studying maths and science at university, by the end of February 2012. After receiving this report, the government finally announced, in response, a $54 million package in this budget to increase participation in schools and universities in the areas of maths and science.

As part of this year's budget package, the government recommitted to the very same programs the coalition had been arguing should never have been on the chopping block to begin with. The coalition recognises that it is essential to have a number of policy solutions in place, in schools, not only to engage students in maths and science but also to support our teachers so they can engage young people in the maths and science discipline and possibly spark within them a desire to pursue these areas in their tertiary education and careers.

Rather than putting these programs, like the PrimaryConnections program and the maths and science Olympiad programs, at risk and creating uncertainty around them, which took months to resolve and money to evaluate, with the appointment of Professor Ian Chubb to evaluate it, why did the government not just get it right in the first place? It would save taxpayers millions of dollars. More importantly, it would save the uncertainty for thousands of volunteers who look after the maths and science Olympiads around our schools when putting them through the misery of not knowing whether their program would be continued to be funded.

The government, whenever it has a choice between a good decision and a bad decision, unfailingly chooses the bad decision. There are many better people on the Labor Party backbench, like the two parliamentary secretaries sitting in front of us at the dispatch box—the member for Cunningham and the member for Ballarat—who would make much better decisions as ministers in this government than the minister for school education, Mr Garrett, the invisible minister for school education, who we never see and never hear from. We never hear him talking about education. He spends most of his time trying to hang onto his marginal seat of Kingsford Smith. If he does not have the time to talk about education he should get out of the way and let the member for Cunningham or the member for Ballarat take the job that they would be so much better suited to—that of minister for school education.

Ms Bird interjecting—

Mr PYNE: Australia needs mathematicians and scientists. The member for Cunningham said she would be happy to have the job! I think she would be good at the job.

Ms Bird: Mr Deputy Speaker, on a point of order: the shadow minister has just verballed me very incorrectly. I said, 'The minister does a great job.' Perhaps the member could ask some questions in question time if he has some issues about it.

The DEPUTY SPEAKER (Mr Murphy): I would take this opportunity to remind the member for Sturt that he should familiarise himself with standing order 76 in relation to relevance.

Mr PYNE: You are quite right, Mr Acting Deputy Speaker. I apologise to the member for Cunningham. I had misheard what she said. I felt sure that she had said she was happy to do the job. I would be happy for her to do it too.
The DEPUTY SPEAKER: The member for Sturt will not respond to the injections across the chamber, despite the innocent merriment in the chamber at the moment.

Mr PYNE: In conclusion, Australia does need mathematicians and scientists to join the Australian pantheon of science and maths greats who have contributed so much to our world and to Australia's reputation overseas. With that, while the opposition has reservations about this bill, as I have already indicated, we will not be opposing it.

Ms MARINO (Forrest—Opposition Whip) (12:19): Australia has always been colloquially known as 'the lucky country', but we also need to become a smart country—the smart country. To achieve this, we need to invest in the education of our young people, and once they are educated we need to keep them here to contribute to the Australian knowledge base and the Australian economy, and through research. We also desperately need educated, skilled people in regional areas like my electorate of Forrest, in the south-west of Western Australia, in the same way that we need lifetime learning opportunities for those people.

We need to nurture our best and brightest but we need to nurture and support all of our students. As Thomas Edison famously said of genius and the development of new advances in science, 'What it boils down to is one per cent inspiration and 99 per cent perspiration.' Not all of our advances or inventions will come from someone who is identified as a genius. Many will come, and we see this, from a sound scientific education, from good old-fashioned hard work and from a genuine interest and great instincts. These will come from a great range of people with a diversity of talents, all of whom we need to value.

Australia has a shortfall in science education, which inevitably results in a shortage of scientists. We know about the shortages in biology, physics and chemistry. As we know, science in its purest form is not necessarily a popular choice and something that is quite notable in Australia. Our academic and scientific success provides a major contribution to the welfare of Australians, especially for our future generations—something that is not always recognised. Whilst some have been hailed by the wider community—we hear them recognised—most are not. That is the problem. Part of the problem is the profile.

There are scientific rock stars, like Barry Marshall, but there are thousands of others and we meet them busily working away, completely unheralded and unnoticed, just getting on with the job. Most Australians could name quite a few footballers and they could name quite a few cricketers, but how many scientists could they name? That is something that we need to look at as well. Whether they are current or historical most of us probably do not get past counting on our fingers the first time, although I would make an exception for the member for Tangney, who is in the chamber; I am sure he could list a number of scientists. But the lack of popular support and recognition for scientific achievement makes it more important that this parliament support such endeavours.

We saw in 2008 the government introduce the discounted student contributions for those studying mathematics, statistics and science courses. At the time, the government said that this was supposed to make studying such courses much more attractive. The students we have heard about today, the ones that I am concerned about, will be affected by these changes and are midway through a course. They are the ones who really do bother me. They have taken up this course
believing that probably more than half of the cost was going to be contributed by the government. They have made a decision based on that information, and the government is changing the rules part way through. I imagine that those students come from a diversity of backgrounds, and this will have an impact on them. This is the problem with the decision that the government has taken. They are midway through their course; can they finish the course? Can they not? What does this do to their plans and ambitions?

In spite of this we do know that there have been some increases in student numbers as a result of this, but there is a diversity of evidence and information about the success of this program. We know now that the minister and government have said that, in spite of them supporting it initially, this policy has not worked; and through the very introduction of this bill the government is saying that this is not working and is their latest failure. I ask: why is that? Or is it that the problem of a lack of science students still exists? It does. I wonder whether it is just a direct budget cut, and that is something that does bother me given that these students are part way through their courses.

There may be mixed evidence on the success of this measure, but in many instances cost is an issue for students and it is an issue in the decisions they make both in their education and in their life. We cannot afford to discourage our students by changing the rules part way through. How do they know when they take up a course that this is the support they are going to receive all the way through? And if they are on a tight budget, which so many are, this does have an impact on the decisions they make and on the length and type of course that they study.

I know, being in a rural and regional area, that for students who come from that background—and I would be interested to know how many students who took up these courses on the back of this assistance by government actually are from a rural or regional area—cost is a far greater issue than it is for a student who comes from a metropolitan area. I know because these students talk to me, as do their families, on a regular basis about how costs for regional or rural student and their families are an absolute barrier. And the evidence supports this. So I will be very interested to see how many rural and regional students are part of the cohort that is affected by this decision.

We do know that these students not only face the cost of textbooks and courses—the same as those shared by urban students—but they also face massive relocation, living away from home and accommodation costs. Those costs are at least $15,000 to $20,000 a year; more than those faced by a student living at home in and around an urban area close to a university. And it does keep regional students out of tertiary education—that is the way it is. So this type of decision, made midstream, will have an impact on those types of students.

We do know, though, that their parents help them, and we know that often there are two and three jobs taken by parents to support their students when they are studying away. So if we do have students from rural and regional areas affected by this it is going to have a major impact not just on that student but also on their families, and perhaps the intentions of any other siblings, because increased cost to one student may put education for another one in the family out of the question.

I know that because that is exactly what happened during the changes to youth allowance. I had parents coming to me and
saying, 'Now, because we don't have access to youth allowance, I actually have to choose which one of my children can go to university.' I hope that this decision midstream by this government does not do the same thing. I would ask the government and those responsible for making this decision to think of those things. Perhaps to some people $3,000 or $4,000 does not seem like a lot of money. But let me tell you: in relation to your education in rural and regional Australia it is a lot of money. And it can be the difference in whether you go to university and study your selected course or you do not. We have seen this over and over. I had family after family and student after student saying exactly that to me: 'The changes to youth allowance made a massive difference.'

And I will tell you what made another difference: when I walked into the classrooms and the schools the students said to me, 'We have actually decided, because of the extra costs, to take a different vocational education course instead of going on to tertiary education.' So cost does matter, and it does matter most specifically in rural and regional areas because they face additional costs to achieve an education. As I said, the sum of $3,000 or $4,000 may not seem like a lot of money, but it certainly is to students in rural and regional areas.

We know with the changes to youth allowance that the government, in another backflip, reversed this decision in part; however, they have applied a means test. So students in the outer regional areas either have to meet the means test or have two years away from their education. As opposed to having a one-year gap they now would have to have a second year. It is something that I find really extraordinary, because 'independence' is defined in the Oxford dictionary as 'not depending on another for livelihood or subsistence'. The reason that the students are classified as independent is that they are not dependent, including on their parents for income; they are physically independent of their parents. But, conversely, the government has then applied a parental means test, so the government by default is saying, 'Yes, you are dependent on your parents, because we're taking their income into account.' Either you are independent or you are not, but not with this government.

I have seen so many students and families, and so many other siblings in families, affected by the issues surrounding cost. I would say to this government: I know that not many of your members represent rural and regional areas, but there are certainly quite a number on this side of the House, and we understand very directly the impact that cost has on decisions people, including young people and families, make in relation to their education.

We know that the Bradley report said that regional students remain seriously under-represented in participation rates in higher education, and that has worsened in the last five years. We know that regional students are already disadvantaged, and I would say to the government: you have made this worse. Without knowing exactly who these students are, I would hope that there is not one student from that background who is going to be affected by these cuts, because it will not just affect them; it will affect their family and it could well affect other siblings in that family.

We know that there remains a shortage of students studying science in Australia, and I know that, as the shadow minister said, the government cut the PrimaryConnections program. I will never forget that I was at a dinner that night with a range of primary principals. How horrified were they? A program that was just starting to find its legs
and deliver benefits was just cut. It was just appalling. I want to touch briefly as well on some of the issues surrounding agricultural sciences; science covers a broad range. We have a real shortage of those studying agricultural sciences. There were 69 submissions to the recent Senate inquiry, and a number of issues came out of that. As I said, there is a reduction in the number. There are only around 700 university graduates a year in agriculture and related fields. The skill shortage is not just confined to university graduates. I know from the report that the committee itself received evidence indicating that in occupations from farmlands right through to agronomists there are pervasive shortages. We have seen that even with the closure of Muresk in Western Australia.

There are great opportunities in this sector. I know from talking the other morning to a great young man by the name of Lachlan at the primary industry and science breakfast that he sees a great opportunity in the future in the ag sciences. Lachlan Hunter was from Bruce Rock, and he was one of the inaugural Primary Industry Centre for Science Education ambassadors. What a great young man. He sees a great opportunity, and he wants to go on and study science. These are the sorts of initiatives that we need to encourage, as well as the pure education of students in science and maths.

But I would once again go back to the fact that, by changing this program midstream, the government has affected young people and the decisions they have made. It is something that, as I said, really bothers me for those students who may be from a rural and regional background. It does concern me, having witnessed my community, my students and my families—the people who used to grab me in a supermarket to say, 'What do I do now? I have a second job. I'm assisting my child to go through university. I can't do any more, but we can't afford to send them.' I would hope that there is not one student who, as a result of this decision, will have to change their decision about the course that they have already started. On that basis I make my comments.

Mr TUDGE (Aston) (12:34): I start by commending the member for Forrest's contribution there in outlining, particularly, the impact of the Higher Education Support Amendment (Student Contribution Amounts and Other Measures) Bill 2012 on regional and rural students. She is a very strong advocate in this parliament for those students particularly. This bill—as you would be aware, Madam Deputy Speaker—reinstates the student contribution amount for mathematics, statistics and science units of study to its pre-2009 levels for domestic students commencing a course of study on or after 1 January 2013. It also removes the eligibility for Commonwealth supported places in the Higher Education Loan Program schemes for Australian citizens who commence a course of study after 1 January 2013 and do not intend to reside in Australia during the course of study. The second purpose of this bill—to capture those students who do not intend to reside in Australia—I think is a step in the right direction. Our focus should rightly be on trying to support students who want to study here, pursue their careers here and make a contribution back to our nation. So we support the intent of that measure.

But I would like to focus on the first purpose of the bill, which is the removal of the HECS discount for maths, science and statistics courses. As you would be aware, the HECS discount for maths, science and statistics courses was introduced by the Rudd government in December 2008, and it took effect on 1 January 2009. It was while the now Prime Minister, Julia Gillard, was the education minister. The aim of providing the
discount was to encourage more students to undertake these courses, because indeed we do have a shortage of students undertaking these courses. The government is now reversing that decision three years later, and this reversal is effective from 1 January next year. The stated reason for reversing this decision, as the new education minister has explained to us, is that the measure was not working. That is the stated reason that they have given to us. They have said that there has been no change in terms of the numbers of students studying those subject areas at universities and hence they are going to abolish the HECS discounts.

Some of the evidence put forward by some people suggests that the measure was in fact working. Indeed, the Parliamentary Library looked into his question and produced a report, Are maths and science enrolments increasing? It is dated 2 December 2011. It concluded that the measures which Mr Rudd and Ms Gillard introduced had an immediate effect. It said that in 2009 undergraduate applications for natural and physical sciences increased by 17 per cent on 2008, and increased again in 2010 by 13 per cent. It said that this reversed the declines from the previous years just in those couple of years. It also said that the increases in applications carried over to increasing enrolments. For example, the commencing bachelor places in all science subjects showed an increase of 8.7 per cent in 2009 and 19.4 per cent in 2010 when the overall increase in undergraduate student numbers was only 15 per cent. So at least the Parliamentary Library believes that this measure did make a difference in terms of increasing the number of applicants and the number of people who are studying maths, science and statistics at university.

I suggest that the reason the government is abolishing the discounts is not that the program did not work. I think it is using that as an excuse, frankly. I think that the real reason for the measure that we are debating today and that is contained within this bill is that the government has wasted so much money over the last five years that it is now scrambling to try to find savings in every single portfolio to bring some semblance of integrity back to the budget for next year. That is the real reason that we are debating this bill right now.

The government over the last five years—as you know, Madam Deputy Speaker, and as every Australian knows—has wasted billions of upon billions of dollars on all sorts of wasteful programs. We know about the pink batts scheme: billions wasted to put pink batts into people's roofs and then billions spent to take the pink batts out of people's roofs. We know about the Green Loans Program. We know about the school halls which were built at double the price they should have been. We know about set-top boxes being installed into people's houses costing $700 per set-top box when you can get one from Harvey Norman for $450. We know about the shambolic border protection regime, which is wasting billions of dollars, when previously our border protection system only cost us in the vicinity of $80 million or so. And, of course, we know about the $1,000 cheques that were sent to dead people and were sent to family pets.

Mr Symon: Madam Deputy Speaker, I rise on a point of order—that of relevance.

Mr TUDGE: The reason for this bill in front of us is that the government has wasted so much money that it has brought the net debt figure up to $145 billion and we now have to cut programs, many of which have actually been effective.
The member for Fadden yesterday was reminding us of the fact that the government are cutting back on the Defence Force personnel's trip at Christmas time to see their families. We have wasted billions of dollars on pink batts, but they are now going after Defence Force personnel and preventing them from being able to go home to their families at Christmas.

This bill in front of us is in a similar vein. They are trying to save $1 billion over the next four years and they have to make the savings because we have net debt of $145 billion and we have net interest payments of $8 billion per annum. We have just had waste after waste after waste by the government over the last five years. That is why this point is relevant. Never have we had such a wasteful government in the history of this federation.

The other points I would like to make about this bill being introduced—and I would reinforce the member for Forrest's comments—is that it is retrospective for some students. Although it takes effect from 1 January next year, it affects some students who are now studying maths, science and statistics who only undertook those courses because of the discounts which were in place. They thought that those discounts would be there for the duration of their course. Now the government is coming in and saying, 'Actually, despite you having made your course selections, in part on the basis of those discounts, midway through we are going to change that policy.' That is not a good way to conduct public policy, but it is the type of thing that we have come to expect from this government.

The bigger issue that this bill brings up—and I would like to spend the remaining time that I have available talking about this issue—is that we do need more maths and science graduates. How do we achieve this?

In some respects the issue, though, does not start at the university level; it actually starts before there at the school level. We simply do not have enough students at year 12 level anymore who are studying the tougher maths, science and biology subjects. If you look across the statistics over the last two decades you see that the number of year 12 graduates in those areas has declined markedly. For example, the Chief Scientist tabled a report merely a couple of months ago that looked into this question. The number of year 12 students across Australia taking physics, chemistry and biology fell by 31 per cent, 23 per cent and 32 per cent, respectively— incredible drops in the course of two decades. This is the real nub of the problem. If people are not studying it at the high school level, they will not be going on and studying it at the university level. As the Chief Scientist said in his report:

These [science and maths] subjects are fundamental to shaping the future of Australia, and the future of the world … They provide enabling skills and knowledge that increasingly underpin many professions and trades and the skills of a technologically based workforce.

There are many reasons people are not studying these tougher subjects of maths and science anymore at the year 12 level. I hear anecdotally in schools in my electorate that part of the reason is that they are harder subjects and that other subjects can be done and count equally towards the students' ATAR scores to get into the university courses that they like. I think that needs to be looked at and a proper examination be done on that matter.

I think the bigger reason for it is that we have a severe shortage of passionate maths and science teachers in our schools. The Chief Scientist pointed this out in his report which was tabled a couple of months ago. In that he stated:
Inspirational teaching was time and time again identified as the key to future study choices of students. Getting higher quality people into teaching, and particularly into maths and science teaching, is a subject that I have spoken about at length in this chamber. I have written about it at length as well.

I am greatly concerned generally about the decline in the quality of the applicants going into teacher courses and I am particularly concerned about the decline in the maths and science graduates going into teaching. In 2010, only 550 students enrolled in graduate Diploma of Education courses had a science degree. That was out of nearly 73,000 students undertaking teacher training courses that year. It is remarkable that there are so few.

What can we do about this? That is the real question. That is what we should be focused on, that is what the government should be focused on. How do we get outstanding, passionate maths and science teachers into our classrooms?

The Chief Scientist in his report outlined a number of recommendations. Those recommendations should be closely looked at. He pointed out some of professional development needed, some of the careers advice which needs to be improved. He talked about professional development standards.

I think, however, that the nub of the issue goes beyond that and that we need to look at the salary structures for maths and science teachers, in particular giving discretion for school principals to be able to offer higher salaries for maths and science teachers if they have a shortage of such teachers in their schools. This was something that the Productivity Commission looked at and what they recommended in their report which they handed down earlier this year. It is something that needs to be done.

The other thing I raise here is that we need to be looking at how we can fast-track outstanding maths and science graduates into the classroom. I have been involved with a program called Teach for Australia and I remain on its board. It targets outstanding nonteacher graduates and fast-tracks them into the classroom. It has had fantastic success.

But one of the problems that we have had with this program is that we have had some brilliant applicants who want to teach maths and science but are prevented from doing so. Let me just give you one example. A person who was a Fulbright scholar and had completed a PhD at Yale University in econometrics was approved only to teach legal studies and humanities. He was not approved to teach mathematics because the bureaucracy and the clipboard checkers said that he did not have sufficient qualifications to teach maths. He is exactly the type of person we want in the classroom to teach mathematics. We need to fix up these problems and we need to encourage similar people likewise to be in our classrooms. (Time expired)

Ms BIRD (Cunningham—Parliamentary Secretary for Higher Education and Skills) (12:49): I thank those who have spoken on the Higher Education Support Amendment (Student Contribution Amounts and Other Measures) Bill 2012, particularly those who spoke with great relevance to the bill. The bill before the House amends the Higher Education Support Act 2003 to increase the maximum student contribution amount for units of study in mathematics, statistics and science. The bill removes eligibility for Commonwealth supported places and the Higher Education Loan Program schemes for Australian citizens who will not undertake
any of their course of study in Australia. From 1 January 2013, all students will pay the increased student contribution amount for units of study in maths and science, regardless of when they commenced their course of study. These students will continue to be eligible to defer their fees via HECS-HELP which does not have to be repaid until they are earning a good wage.

The government believes the reduction in student contributions for maths and science that commenced for students starting a course of study from 1 January 2009 was not delivering value for money. The majority of students undertaking maths and science units in 2009 and 2010 were not enrolled in a maths or science course of study, nor were they studying an education course. It is clear the policy was not substantially increasing the number of maths and science graduates in the workforce as intended or improving the supply of quality maths and science teachers. Improving the supply of quality maths and science teachers is a priority for the government which is why we have announced a $54 million package in the 2012-13 budget to enhance student engagement in maths and science from primary to tertiary levels.

The government is removing eligibility for Commonwealth supported places and the HELP schemes for Australian citizens who will not undertake any of their course of study in Australia. The amendment applies to Australian citizens who are living overseas on an ongoing basis. The government believes its funding priority should be to support those students who are most likely to pursue careers in Australia, repay their HELP debts and use their education to benefit Australia's workforce and economic needs. The small number of students who are not resident in Australia and are currently enrolled in Commonwealth supported places or are accessing HELP will continue to be eligible for the schemes for the duration of their current course. This amendment complements last year's changes to the act, clarifying that Australian citizens are not entitled to Commonwealth support or to access HELP when they are undertaking courses of study primarily at an overseas campus. 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

Ms BIRD (Cunningham—Parliamentary Secretary for Higher Education and Skills) (12:53): by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

Paid Parental Leave and Other Legislation Amendment (Dad and Partner Pay and Other Measures) Bill 2012

Passenger Movement Charge Amendment Bill 2012

Returned from Senate

Message received from the Senate returning the bills without amendment or request.

Tax Laws Amendment (Investment Manager Regime) Bill 2012

Report from Federation Chamber

Bill returned from Federation Chamber without amendment; certified copy of bill presented.

Bill agreed to.

Third Reading

Ms KING (Ballarat—Parliamentary Secretary for Infrastructure and Transport
and Parliamentary Secretary for Health and Ageing) (12:54): by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

Social Security Legislation Amendment (Fair Incentives to Work) Bill 2012

Debate resumed on the motion:

That this bill be now read a second time.

Ms LEY (Farrer) (12:55): I rise today to speak on the Social Security Legislation Amendment (Fair Incentives to Work) Bill 2012. Currently parenting payment recipients are subject to different rules on eligibility depending on when they first claimed parenting payment. This legislation will bring all parenting payment recipients onto the same standard, seeing all partnered parenting payment recipients move on to an income support payment such as Newstart when their youngest child turns six and all single parents when their youngest child turns eight. As the requirement currently stands, those who were on a parenting payment prior to July 2006 were able to continue receiving this payment until their youngest child turned 16, although, from July 2007, they were also required to engage in 15 hours a week of either paid work or a work related activity to remain eligible for this payment.

This legislation should be seen in the context of the previous government's Welfare to Work reforms of 2006, which built on the Australians Working Together initiative from 2003, where parents with children aged between 13 and 15 were required to undertake one or more activities, such as job search, education, training or community work to assist them in preparing for a return to the workplace. From 1 July 2006 new applicants were eligible for parenting payment single when their youngest child was aged less than eight and they moved to Newstart or another payment when their youngest child turned eight. Those who were on the payment prior to 1 July 2006 were able to be grandfathered—that is, they retained their eligibility for the parenting payment until their youngest child turned 16. In 2007 these reforms were further extended, requiring those grandfathered recipients to look for work when their youngest child turned seven.

The Department of Education, Employment and Workplace Relations had the Melbourne Institute of Applied Economic and Social Research undertake research into the Welfare to Work reforms, and this research highlighted that the introduction of the mutual obligation requirements for grandfathered parenting payment recipients led to an increase in exits from parenting payment, recognising that many gained employment as a result. So this does prove that the Welfare to Work initiatives assisted parents into paid employment and off welfare.

However, whilst we in the coalition are certainly in favour of assisting people from welfare into work—and we do recognise that the best form of welfare is a job—this particular bill reeks of hypocrisy on the part of the government. Just a few short months ago, Labor moved to decrease the parenting payment cut-off age of the youngest child from 16 to 12. Making this further change to the timing of the transition now shows that this move is more about achieving a budgetary saving than about a policy that is genuinely committed to assisting people from welfare to work, particularly given the tough economic times that are facing Australian families.

Labor has been all over the place on the topic of mutual obligation. When Minister
O'Connor had responsibility for this portfolio he promptly ordered the department to water down mutual obligation requirements and go easy on those who were deliberately shirking their mutual obligation requirements. Then, in April 2008, the then minister wrote to Job Network providers urging them to be lenient on noncompliant job seekers. The Department of Education, Employment and Workplace Relations followed this up with a letter where they wrote, 'employment service providers have considerable discretion when deciding if a participation report should be submitted following an incident of non-compliance'.

Further evidence of the contempt this government has for mutual obligation can be seen in its treatment of Work for the Dole. This government has presided over the tragic demise of Work for the Dole, once the premier mutual obligation activity in this country. Where once job seekers, after six months unemployment, engaged in an activity to ensure they gained skills that would assist them into a new job while performing activities to benefit the local community, this government has now pushed it out to 12 months unemployment before it will provide any funding for these valuable activities. Hundreds of thousands of people have benefited from the training offered in these activities and have acquired a real work ethos as a result of their time on such a program.

Alas, the program is now a mere shell of its former self, watered down by a government that has this bizarre fear of mutual obligation as some sort of bogey monster. Those opposite fail to appreciate that 25 per cent of Work for the Dole participants gain employment within three months of completing their Work for the Dole activity. The government's paranoia concerning this program has seen the program reduced to a mere 10,298 placements at present. This is in stark contrast to the more than 80,000 participants a year when the Howard government was in office.

I come back to the hypocrisy of the government in bringing this piece of legislation before the House today. They have changed their change in just a few short months. And they have changed the age of parenting payment recipients required to seek paid employment—they have moved it downwards, and they have now brought in every single person under the same net. This has been a sudden change of heart, no doubt linked to the savings initiative. We have a long and tiresome record from this government on mutual obligation and on Work for the Dole, where they speak out of one side of their mouth in this place and then, when they are out in the community with their stakeholders, they speak out of the other. They need to decide whether mutual obligation and Work for the Dole activities, and the really difficult policy area of moving people from welfare to work, are things that they are serious about. With this legislation, they have crashed the policy in this House. They have crashed it in the community. As a result, they are definitely not serving the interests of the group of recipients that they are targeting.

I should also take the opportunity to remind those opposite of their contempt for the welfare to work bill when it was introduced by the Howard government. Senator Penny Wong stated:

This package has nothing to do with moving people from welfare to work and everything to do with extreme cuts to the household budgets of Australian families who can least afford it.

Clearly those like Senator Wong have now realised that the coalition way is the best way. Plagiariising coalition policy seems to be the best that those opposite can muster. Regrettably for all Australians, too often they
decide to slightly customise our policies in an attempt to Labor brand them, and completely botch them in the process.

Regarding this particular bill, I am not certain how those opposite intend to assist parents in their transition from welfare to work as this bill introduces no additional assistance for parents returning to work. By contrast, in 2006 when the Howard government introduced the Welfare to Work reforms aimed at boosting the workforce participation of four under-represented groups—the long-term unemployed, people with disabilities, parents returning to work, and mature age job seekers—the 2005-06 budget committed $389.7 million to specifically assist parents into work. That was a total package of $3.6 billion aimed at those four under-represented groups in what was a serious, genuine and well supported policy initiative to move people from welfare—which is not in their interests, which is not in the economy's interests and which is not in the interests of government—into work, which is where they can win on every level.

On this side of the House we support encouraging people from welfare to work. We support boosting workforce participation. But we also recognise that government has a responsibility to help those making the transition. Our policy at the time provided real assistance to help parents transition. As part of the coalition's policy, parents could refuse a job if they were not more than $50 per fortnight better off once the costs of employment were factored in—child care, for example, or if they had to travel for more than 60 minutes each way to work. When the current Minister for Health, the member for Sydney, was in opposition she attacked the 2005 allocation of additional childcare places by the coalition government, accusing us of coming up with it as 'a way to ensure single parents had no excuse not to work'. She told ABC Radio at the time:

It is part of the government's plan to punish people who are out of the workforce to take away any excuse for them not working.

In addition to this, the Welfare to Work reforms also saw the creation of the Employer Demand and Workplace Flexibility Strategy, which worked with employers to promote the benefits of hiring job seekers from the four targeted areas. Ensuring workplaces were able to look at flexible work hours was a real focus, particularly where parents were concerned.

The general consensus from employers was that parents were more likely to have recent workforce experience than the job seekers from the other three disadvantaged cohorts and, on the whole, showed a greater level of responsibility, making them more reliable. This proves that this group of parents does want to work and does need the support this government is not prepared to provide in order for those parents to move from a parenting payment—that is, a welfare payment—via an income support payment into a sustainable job—into employment.

As I said, this is a cohort of people who, ultimately, have a capacity to work and have a very real incentive to do so, as a job is the best way to provide for their children. We recognise that those children who grow up in jobless households are far more likely to suffer from long periods of unemployment themselves. There is an incredible amount of truth in the saying that the best form of welfare is a job. These Welfare to Work reforms of 2006 built on the Australians Working Together initiative, where parents with children aged between 13 and 15 were required to undertake one or more job search or training type activities to help them back into the workforce.
Research undertaken by the Department of Education, Employment and Workplace Relations on the Welfare to Work reforms shows that there was a 23 per cent increase in the number of single principal carer payments leaving income support after six months, in comparison to the previous three years, with 38 per cent moving off payment during 2006-07. The report also showed that over 70 per cent of people on principal carer payments left income support for employment. Despite all the opposition to the Welfare to Work reforms from those opposite, I am glad that they have finally looked at the evidence and recognised the benefit of our policy. Long-term welfare dependency is a very real risk for many parents, and these changes will encourage parents back into the workforce. Shifting parents from a parenting payment to an income support payment reiterates that, whilst Australians have access to support, there is a corresponding obligation to seek employment when they are in a position to do so. I expect that the vast majority of Australians accept the notion that with rights come responsibilities. Whilst the government undoubtedly has an obligation to provide for those who are not in a position to provide for themselves, we need to be realistic about what this entails. Where people have a capacity to work, they should do so.

Intergenerational unemployment is an ever-growing problem in this country. There are towns where it is pretty much the norm for a majority of families to refer to their fortnightly visit to Centrelink as going to pick up their 'pay'. We have to break this dependency, and measures such as these go a way towards achieving that goal. Parents in work provide a role model for their children, teaching them that work is the norm and that a lifetime on handouts is not. However, almost 70,000 women are not in the workforce because they lack access to affordable child care. These are the types of issues that Labor really does need to address. The coalition's Welfare to Work reforms extended access to after school care, thereby ensuring parents had the support they needed in order to work. Regrettably, where this bill does fall short is in support for these parents. In the last budget, the government slashed $162 million from Job Services Australia's assistance for job seekers. It also cut a further $44.3 million from outcome payments for Job Services Australia providers.

In addition to repealing the grandfathering arrangements for parenting payment recipients, this bill also seeks to increase the liquid assets threshold. Currently an individual is subject to a waiting period for income support when they have in excess of $2,500 in liquid assets. This bill seeks to double the liquid assets that a person can hold to $5,000 before they are subject to the waiting period for income support payments. This measure will assist newly unemployed Australians and give them a little more financial security during what is a tough and stressful time. This measure will also enable people to maintain more of their savings if they do lose their job and it will give them some additional financial security.

The final element of this bill seeks to clarify the definition of termination payments. This will ensure consistency across the board when considering the income maintenance period. It will also bring the definition of termination payments in line with the policy intent of the guide to social security law, ensuring that termination payments such as those for untaken long service leave, untaken maternity or paternity leave, early termination payments and other such payments are included in the income maintenance period. I just mention those two other provisions of the bill; they are not the main ones. The liquid assets threshold for
Newstart is a very poor step in the direction that the government should be going but is not. It should help people transition into the workplace with the sorts of genuine services that we provided when we introduced this initiative in 2006.

I am sceptical. This bill is really a desperate attempt by a government to realise savings it is petrified of not achieving in order to realise a surplus anytime soon. Ultimately, this legislation will assist the government in realising almost $700 million in savings, with only, it would seem, a $3 million program for telephone counselling left in place to assist the unemployed. Despite the motivation behind this legislation being nothing more than a desperate cash grab, we in the coalition believe that those in receipt of welfare payments have a moral obligation to contribute to their community through work. Those who have the capacity to work should do so to the extent of their ability. We also acknowledge that families are better off as a result of earning an income as opposed to being dependent on welfare, which is why we will not be opposing this bill.

These are difficult policy areas. For members of this place they are difficult areas in which to consider measures that reduce the weekly payments of those on fixed incomes. It is not a happy position for the government to be in, and I strongly condemn their approach in articulating a policy that is not really theirs, that they never really signed up for, that they never really supported and that they were reluctantly dragged to the table on at the last minute in a way that does an enormous disservice to the group of single parents that it is designed to assist. The supports will not be in place for this group of parents, and the government is throwing them into a job market environment in which it is very difficult to find work in the types of industries and in the type of employment that would typically suit a mother returning to work with school aged children.

The absolute inflexibility of the labour market and the reregulation that we have seen since Labor came to power in 2007 means that it may simply not be worth employers offering a few hours of work between nine and three to suit a parent picking up their children from school. It may not suit them to offer part-time and casual employment because the rules, the regulations and the fixtures around such employment arrangements have made it such that employers are walking away. So I strongly condemn the government for not understanding that this is a difficult market in which to ask this group of parents to seek employment and then not care about putting in place the measures that would help them to gain employment.

I make the point that we in the coalition support this legislation. We also recognise that it actually applies to everybody who is newly in receipt of a parenting payment since 2006. It picks up a group that were grandfathered when the legislation came in. They were grandfathered because we in the coalition understood the difficulties that they faced then, several years ago, in gaining employment, and we did not want to change the rules for them. But we wanted to announce to everybody else who was in receipt of a parenting payment that there would be stronger work and activity tests for them when their youngest child turned six or eight, depending on their personal circumstances. What this government has done is pick up a group of grandfathered single parents—it will affect single parents more—and said to them out of the blue, with no warning, with no support and in a job market being made much harder to enter, come 1 July with the carbon tax: ‘These rules now apply to you. We just do not care.’ You couple that with the hypocrisy that they have
shown towards the coalition's Welfare to Work measures and you see how it is the coalition that has done the heavy lifting in these policy areas for years and years. The government, which recognises the reality of mutual obligation and the reality that it is in the best interest of children to grow up in a household where parents work but really lacks the stomach to do anything serious about it, walks both sides of the street on this issue.

I know what it is like to be a single parent and I know what it is like to be poor. I have not been those things at the same time, but I do feel for the group of parents that will be captured by this legislation and I do acknowledge the representations made to the coalition by the Australian Council of Social Service and the work that they do in representing the interests of those people affected. We in the communities within our electorates—we certainly are on this side of the House—will do all we can to help and assist those parents with the organisations and the facilities that do remain in place to help those on low and fixed incomes at such a difficult time.

I conclude my remarks by saying that we do acknowledge that mutual obligation and that welfare to work are strong coalition principles, that there is equity in applying those principles to everybody and not keeping one particular group grandfathered—if indeed this is what the government's approach is going to do—and that we will not be opposing the bill.

Dr LEIGH (Fraser) (13:16): Too many Australians live in circumstances of entrenched disadvantage. Too many Australian children are in households where their parents and sometimes their grandparents have not known regular employment and have not known the dignity of work and the social inclusion that comes from being part of the labour market. It is a concern to see children growing up in households where the example of work is not there in the morning, when the alarm goes off and a parent leaves for work or study, and it is important that we ensure the benefits of work are available to as many Australians as possible.

I left high school as Australian unemployment was beginning to spike in 1990 and am acutely aware of what it is like to be a young person in a labour market where it is difficult to get a job. Unemployment then spiked at 11 per cent, and that had an impact on school leavers but it also had an intergenerational impact on those children in households where parents could not find work. One of the great achievements of this government has been avoiding a thing that never happened—avoiding the global economic experience of unemployment that has blighted so many developed countries.

This bill is a difficult one. It puts in place incentives for work that will now apply equally to all parenting payment recipients. The changes will encourage parents to participate in the labour market sooner, and our hope with this bill is that it will provide intergenerational benefits for families and children—that more young children will have the opportunity of growing up in a household where people work. This was the great achievement, I think, of social policy under the Clinton administration.

Under Bill Clinton, through the move to an earned income tax credit spearheaded by his campaign slogan 'If you work, you shouldn't be poor', there was a substantial increase in employment rates in low-income communities, among single parents and among African Americans. The intergenerational impacts of that are, I hope, positive. American Dream, a book by Jason...
DeParle, the *New York Times* writer, speaks about the experience of three women going through the Clinton employment reforms of the 1990s. Part of the impact was having a little more money, but part was also the power and the control of moving from welfare into work.

Jason DeParle talks in his book about the attitudes of behaviour that come from participating in the labour market. One of the benefits for us in Australia is that the bottom end of our labour market is well above the bottom end in the United States, now with a $16 an hour minimum wage. We have a minimum wage which is above the average wage paid by many large US companies including, for example, Apple and Costco.

A significant proportion of those subject to the provisions of this bill will be single mothers and partnered mothers. We want their contribution to the workforce. We want them to participate in the economy. We are now, with an unemployment rate of five per cent, in a situation in which many sectors of the economy face labour shortages. The ABS labour force survey showed in May that the number of people employed in Australia is now over 11.5 million and we have a national participation rate of 65 per cent: 59 per for women and 72 per cent for men.

It is important that we create the right incentives to encourage people to move from welfare to work, and I commend the work of the Treasurer and the Minister for Families, Community Services and Indigenous Affairs, over the course of more than a decade now, through their advocacy from opposition and into government about reducing the disincentives for work that welfare tapers represented. The unpardonable situation of welfare tapers that exceeded 100 per cent meant that when you earned another dollar you lost more than a dollar in income support. We have now gotten rid of those disincentives.

It is vital that we increase employment rates, and it is such a contrast to be here in Australia, looking at the unemployment situation in other developed countries. The *Economist* magazine recently noted that, if all unemployed people in developed countries lived in the one nation, it would have a population about the size of Spain’s. For us in Australia, we now have a five per cent unemployment rate and only 19 per cent of unemployed Australians were long-term unemployed as of July last year, meaning they had been unemployed for more than a year. That is in contrast to 2003 and 2004, when the long-term unemployed share was 21 per cent. So not only have we brought down the unemployment rate over the course of the last decade but we have also brought down the share of the unemployed who are long-term jobless.

We know the cost of unemployment goes beyond the economic. We know that the loss of dignity that accompanies losing a job can be associated with depression, family breakdown and dissatisfaction with one’s life. Nick Carroll, who was a PhD student when I was at ANU, wrote a paper for the *Economic Record* titled ‘Unemployment and psychological well-being’. Dr Carroll found the adverse impact of unemployment on life satisfaction was large and significant. He also found that past unemployment also had a similar effect. Even once somebody had found their way back into the labour market, the effect of having been unemployed was still there and you could still see a scar on their happiness levels. We do know that the longer someone spends unemployed, the more difficult it is to find their way back into the labour market. If you are an office worker, the computer programs would have been updated and it takes a while to learn the new programs. But more than that, there is
also a psychological effect from the loss of self-confidence that can come with being out of the labour market for a long time. As I said before, the United States and European unemployment rates are significantly higher than those here, as is the unemployment duration. The US average jobless period is now 40 weeks. Only four years ago it was 17 weeks. Americans, if they find themselves unemployed, tend to be unemployed for a very long period—three-quarters of a year. In Italy the average duration of unemployment for the unemployed is over a year, so the average unemployed person in Italy is long-term unemployed. As people become detached from the workforce, it makes it harder to re-enter. That has an impact not just on the individual but on the society, with lower growth rates, lower economic activity, and less public finances because of lower tax receipts.

According to the Australian Bureau of Statistics figures from June last year, Australia had about 96,000 jobless couple families, 210,000 jobless single parent families. Of those single parent families looking for work, 23 per cent had been jobless for more than a year. We have a responsibility to ensure that those people are part of our nation's productivity and of our economic and social wellbeing.

This bill abolishes grandfathering to parent payment single and partnered recipients. Grandfathered parenting payment recipients will have participation requirements when their youngest child turns six for partnered parents and eight for single parents. It will bring these requirements into line with parents who have claimed parenting payment since July 2006 and now treats all parents claiming parenting payment equally, fairly and consistently. The current rules state that parents have different entitlements according to when they first claimed. So parents who claimed income support after 1 July 2006 are eligible for parenting payment until their youngest child turns eight if the parent is single or six if the parent is partnered. Parents who received parenting payment before 1 July 2006 were therefore grandfathered and may continue to receive payments until their youngest child turns 16. Grandfathered recipients have participation requirements when their youngest child is seven, unlike new recipients who have participation requirements when their youngest child is six.

The bill brings forward the gradual alignment of parenting payment rules announced as part of the Building Australia's Future Workforce package in the 2011-12 budget. It will create better incentives for parents to return to the workforce and recognises that parents' capacity to undertake work or study increases as children get older. We have more generous income test provisions for single principal carers on Newstart allowance. Those will apply to eligible single parents affected by the earlier cessation of grandfathering. Single parents already studying while on parenting payment can continue to receive the pension education supplement when they continue on the same course as a Newstart recipient.

The bill also introduces new liquid asset waiting period maximum reserve amounts. They are doubled from the current levels. That strikes, I believe, an appropriate balance between requiring people to rely on their own resources and providing fair and reasonable access to support. It will allow many people to access income support more quickly and reduce the extent to which they have to draw down their liquid assets before getting income support. Those new thresholds will commence on 1 July.
Grandfathering by its nature is a complicated matter and there are always going to be tensions between the needs of those for whom the new measures apply and those who are exempt. I do not think economics or social policy or ethics gives us a right way of doing grandfathering but, as the member for Farrer noted before, this is a difficult area of policy. The provisions for grandfathering parenting payments were introduced by the Howard government. What we have done is make the various entitlements consistent and fair for all parents. It is not a radical change, and I believe it introduces equality between parenting payment recipients who claimed before 2006 and those who claimed after 2006.

It is important also to recognise assistance provided by the government to parents re-entering work. Parents affected by the change will have access to professional career advice as well as childcare assistance and individually tailored employment services. A particular program I believe is important is the JET program, which recognises that access to affordable and accessible childcare is really important for parents who want to get the skills and training to move into the workforce. The JET program provides considerable childcare subsidies for parents on income support, mostly single parents, so they can study or train to develop the skills to get a job. We have seen the number of families using this program increase from over 20,000 in 2007-08 to more than 31,000 in 2010-11. In this budget we announced another $225 million to be invested in the program over the next four years. That will mean around 130,000 parents across the country will be supported to join the workforce and provide for young families.

JET recipients pay a parental co-contribution of $1 per hour of child care per child, and 50 per cent of the co-contribution can be claimed under the childcare rebate, meaning that JET recipients pay a childcare cost of 50c an hour. Those investments support record numbers of Australian parents, particularly single mothers, to enter the workforce.

The changes to the parenting payment grandfathering will reduce the average duration on income support and supports the dignity of work. I commend the bill to the House.

Debate interrupted.

STATEMENTS ON INDULGENCE

Asylum Seekers

Ms GILLARD (Lalor—Prime Minister) (13:30): I seek the indulgence of the House to make a short statement. As I believe members of the House would be aware, there has been a second incident with an asylum seeker vessel. My purpose in rising now is to advise the House that at two o'clock I will give to the House a statement on the circumstances involving this vessel. Clearly, once again, we are involved in a search and rescue and are very concerned about the consequences.

I want to take this opportunity to advise the House that, following the making of my statement at two o'clock, the government will seek to bring on for further debate, to finality, the bill moved by Mr Rob Oakeshott to amend migration legislation and facilitate offshore processing. We would seek to make arrangements by agreement with the opposition to facilitate that occurring at two o'clock. As the House may recall, that piece of legislation has already completed its second reading, so we would be asking the House at that time to complete dealing with the bill—that is, to deliver the third reading of the bill.
I offer an assurance to the opposition that we do not seek to in any way prejudice their rights to question time so, following the House dealing with the bill, we would proceed with a question time of the normal duration and length. I would request that the Manager of Opposition Business now confer with the Leader of Government Business on the making of those arrangements.

Honourable members interjecting—
Ms O’Neill interjecting—

The DEPUTY SPEAKER: Order! The member for Robertson will withdraw.

Ms O’Neill: I withdraw, Madam Deputy Speaker.

The DEPUTY SPEAKER: The member for Sturt has the call.

Mr Pyne: Madam Deputy Speaker, it is not in order for cat-calling from the government benches about serious matters of this nature. I would ask the member for Lyons to withdraw his slur against me.

The DEPUTY SPEAKER: Order! The member for Sturt will resume his seat.

Mr Adams interjecting—
Mr Pyne interjecting—

The DEPUTY SPEAKER: The member for Sturt might also recall how many times he has been thrown out of the chamber. Would the member for Lyons please withdraw.

Mr Adams: I withdraw, Madam Deputy Speaker.

Mrs GRIGGS (Solomon) (13:34): I rise to speak on the Social Security Legislation Amendment (Fair Incentives to Work) Bill 2012. The effect of this bill is to remove the parenting payment transitional arrangements so that the eligibility for parenting payments for all recipients, including those parents whose payments were grandfathered, will cease when their youngest child turns six years of age for partnered recipients or eight years of age for single recipients.

Removing the grandfathering provisions affects those parenting payment recipients who have been continuously receiving the parenting payments dating back to before 1 July 2006. An important footnote is that the changes proposed by this legislation only affect parents who were grandfathered, not parents who had become new claimants since July 2006. Further, it is noted that there are additional entitlements for single principal carer parents in receipt of the Newstart allowance, which was introduced by the Welfare to Work reforms. These allowances include access to pensioner concession cards.

The DEPUTY SPEAKER: The member for Solomon still has the call. Has the member for Solomon concluded?

Mrs GRIGGS: I have concluded, Madam Deputy Speaker.

Debate adjourned.

BUSINESS
Suspension of Standing and Sessional Orders

Mr ABBOTT (Warringah—Leader of the Opposition) (13:36): I move:

That so much of the standing and sessional orders be suspended as would prevent the Member for Warringah from presenting forthwith a Bill for an Act to amend the Migration Act 1958, for the bill to be considered forthwith, for the time limits specified in standing order 1 for the consideration of private Members’ bills to
apply and that the bill be given priority over all other business until the House has completed consideration of it.

I rise to move this suspension motion, because this parliament is meeting today in the shadow of unfolding disaster in the seas to our north. We know a terrible tragedy took place in the seas to our north late last week. We fear that another terrible tragedy may be unfolding right now in the seas to our north. Obviously, we grieve for all those in peril on the sea, but we should also pray that this House is capable of rising to the challenge of these times. The military personnel and others who are now sailing as quickly as they can to the rescue of those in the water to our north deserve all of our support, all of our prayers and all of our encouragement. But this parliament should do what it can to enable the government of the day to take a stronger policy response than has hitherto been the case to the unfolding disaster on our borders.

Standing orders must be suspended because the bill that I am proposing to bring forward now is a bill that seeks the common ground that does exist in this parliament. It is a bill that seeks to embody the common ground that does exist in this parliament to support legislation that will enable improved policy to be put in place. As all members of this House know, for more than a decade the opposition has had a very clear position on border protection. We support offshore processing at Manus and at Nauru. We support temporary protection visas that would deny the people smugglers a product to sell, and that more than anything else would undermine this evil trade that all of us in this House want to stop. Yes, more controversially we support government having the option of turning boats around where it is safe to do so, but crucially at all times in the last decade the coalition has supported offshore processing with protections. I stress that we have supported offshore processing with protections.

The government, the Labor Party, by contrast previously opposed all forms of offshore processing. That position changed shortly after the accession of the current Prime Minister. But even at the last election the current Prime Minister declared that offshore processing should only take place at countries which had subscribed to the UN Convention Relating to the Status of Refugees. It was only last year that the government again changed its position to support offshore processing at Malaysia, a country which has not subscribed to the UN convention. What happened, as we know, is that the High Court said that the government cannot go ahead with offshore processing in Malaysia under the legislation as it currently stands.

The position of the government right now is that no offshore processing whatsoever can take place without new legislation. There can be no offshore processing at Malaysia, no offshore processing at Manus Island, no offshore processing at Nauru—that is the government's position. What my bill seeks to do is to give a legislative basis for offshore processing that the vast majority of members of this parliament will be prepared to support—not, it ought to be said, in Malaysia, but certainly at Nauru which the coalition and the government both support and in PNG which the coalition and the government both support. Let us give the government the legislation that it says is necessary for offshore processing, but let us give the government legislation that rests on the common ground between the parties in this parliament.

The legislation declares that the government should be able to process illegal maritime arrivals at any country, provided that country has subscribed to the United
Nations refugee declaration. There are 148 countries around the world that offshore processing could take place in under the legislation that I wish to put before the parliament. It could happen in PNG, it could happen in Nauru, it could happen in East Timor, it could happen in the Philippines. There are countries in our region where offshore processing could take place under the legislation that I am proposing, so my legislation does give the government a firm legislative basis for the stronger policy response which is so obviously necessary to deal with the second disaster in a week in the seas to our north.

This coalition does not, and will not ever, support the processing of illegal maritime arrivals in Malaysia. We failed to support offshore processing in Malaysia, not because of any ill will towards the country, which is a good friend as well as a neighbour of ours. But, as I said earlier, the firm position of this coalition for more than a decade is that we do not support just any offshore processing; we support offshore processing with appropriate protections. People who have come into the care of this country of ours, even if only briefly, should not be sent to a country that does not observe our standards. And this is not a criticism of any other country; it is simply a statement of fact. The standards of Malaysia when it comes to dealing with unlawful noncitizens are radically different from the standards of Australia.

The DEPUTY SPEAKER (Ms AE Burke): Order! The debate is interrupted in accordance with standing order 43. The debate may resume at a later hour.

STATEMENTS BY MEMBERS
Suspension of Standing and Sessional Orders: Migration Legislation Amendment (The Bali Process) Bill 2012

Mr PYNE (Sturt—Manager of Opposition Business) (13:52): Madam Deputy Speaker, on the 90-second statements, I believe it would be wise for the government to allow standing order 43 to be suspended procedurally in order to allow this matter of the Migration Legislation Amendment (The Bali Process) Bill 2012 to be concluded. I have raised that with the minister on duty and with the Chief Government Whip, and I believe this matter is of great importance. There are very serious issues that need to be resolved. The Leader of the Opposition is moving a motion to allow a bill to be debated and considered that would solve the offshore processing crisis. For that to be closed down by 90-second statements through that procedural method the government should hang its head in shame. I wanted to ask the Leader of the House. I asked the next in charge and the Chief Government Whip and I was told that they would consider it, but that obviously did not happen in time to ensure that the Leader of the Opposition could conclude his remarks. With 15 minutes left on the clock the speeches from the seconder and the government could be taken and the matter could be considered.

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (13:46): I was in the chamber with the Prime Minister some time ago when the Prime Minister indicated that at 2 pm we would be seeking to have the debate concluded on the private member's bill—the Migration Legislation Amendment (The Bali Process) Bill 2012—moved by the member for Lyne that has been passed through this
parliament with a second reading. We would have the concluding statements after that occurred. The Prime Minister also made a request, which Hansard will confirm, that the Manager of Opposition Business consult with myself, as Leader of the House, around the process. I offered to do that and the Manager of Opposition Business said he had other things to do.

It is a fact that the Prime Minister has indicated a process. There have been discussions with the crossbenchers. Everyone would be aware that at the meeting in this parliament today, as met on Monday, convened by the Independents, was a discussion between backbenchers of the government, the opposition and the Independents. (Time expired)

Mr ABBOTT (Warringah—Leader of the Opposition) (13:48): I have no wish for the parliament on a day such as this to be needlessly inflamed. I have no wish on a day such as this for a whole lot of unnecessary procedural argy-bargy to be taking place between the government and the opposition. A motion to suspend standing orders has been moved by me to provide the parliament with a way forward through these very difficult circumstances. We now witness a certain disagreement between the Leader of the House and the Manager of Opposition Business. I respectfully suggest to members opposite that the 90-second statements period not now proceed, that our suspension be dealt with and then that which the government is proposing to do at two o'clock take place. That way each side gets a fair go.

Mining

Mr FITZGIBBON (Hunter—Chief Government Whip) (13:49): As the standing orders require, I rise to speak on 90-second statements—

Opposition members interjecting—
the Prime Minister's office shortly after one o'clock today. I was not able to speak directly to the Prime Minister because she was apparently in a meeting that could not be interrupted but I nevertheless paid the government the courtesy of informing the Prime Minister via her chief of staff that I would be seeking to move in the parliament today the legislation which is the subject of the suspension of standing orders—the Migration Legislation Amendment (The Bali Process) Bill 2012. I want the Australian parliament and the people to understand that, at least on the coalition side, there was no disrespect or discourtesy to the government. The Prime Minister, who has been seeking talks, did get a phone call from me. Unfortunately she was unable to take it—but, nevertheless, I did ask her chief of staff to indicate to the Prime Minister that we would be moving this way to provide a firm legislative basis for a stronger policy response.

5 Lands Walk

Ms O'NEILL (Robertson) (13:52): I rise to speak about a fantastic event that happened on the Central Coast last weekend, an event entitled the 5 Lands Walk. About 12,000 local people and people from Sydney came to the Central Coast and walked on the land under this year's 5 Lands Walk theme of 'connecting people to people and connecting people to place'. I want to praise the great leadership shown by Conn Ryan and Pauline Wright and their core team, which has been undertaking this event for about seven years now. I also want to acknowledge Central Coast Tourism—in particular, the hard work of Chris King and Yantra De Vilder in pulling together an entire cultural program.

The 5 Lands Walk commenced with the calling in of the whales at 8 am last Saturday at the Copacabana Tudibaring headland and the Bouddi National Park. Last weekend was the weekend that we see more whales than on any other weekend throughout the year. There were 12,000 people who headed up to the Captain Cook lookout and who witnessed these whales breaching. Captain Cook lookout is now completely accessible to all people—whether they are a little infirm or in a wheelchair—thanks to $100,000 from this federal government and $100,000 from our local council. It is accessible to all and a vision of a great Australia, uniting Indigenous with multicultural communities in a successful event on the Central Coast last weekend. (Time expired)

Asylum Seekers

Mr MORRISON (Cook) (13:54): My thoughts, like the thoughts of the Leader of Opposition and I am sure all members of this House, will be with Australians who are today going towards a site in the seas to our north to assist in yet another rescue and recovery operation. I am disappointed that we do not have the opportunity here, because of the stance taken by the government over standing orders of this House, to enable a very important bill to be debated here.

I believe the consensus of all members of this parliament—with the exception of the Greens—in both this House and the other place is that offshore processing should take place in the at least 148 countries that have signed the United Nations Convention Relating to the Status of Refugees. Support for that was outlined by none less than the Prime Minister before the last election. She stated before the last election that it was the government's policy to only send people for offshore processing to a country that had signed the refugee convention. Before we leave this place there is the opportunity to pass a bill that reflects that consensus and gives the government the protections and the powers to restore and strengthen control on our borders—to ensure that our borders are
strong, uncompromised and unweakened by the continuation of the policies that we have seen since the proven measures of the Howard government were disestablished. I call on those opposite to allow that bill to be considered. *(Time expired)*

**Asylum Seekers**

**Mr BANDT** (Melbourne) (13:55): I speak on behalf of everyone when I say no-one wants to see people dying at sea. It is with heavy hearts that we receive the latest news. People have the right to safety and security for themselves and their families and, if they cannot find that in their homelands, then we know that people will flee. We have signed up to conventions to ensure that as they are fleeing—as they take their families and seek safety—they will be treated properly, with respect, safety and security. The law says those standards should apply. Later this afternoon, we are going to have a choice. Are we going to ask ourselves and all of our neighbours to lift the level of protection to meet those standards we have signed up to so that people do not wait decades in Indonesian camps—where there are currently only two United Nations human rights commissioners processing their applications—and where, after waiting for years, they get so desperate that they decide to take to rickety boats, putting their own and their families' lives at risk in hopes of safety?

Are we going to uphold that convention so those people do not spend those decades waiting in limbo or are we going to rip up the basic legal standards we have signed up to? I tell you this, Madam Deputy Speaker Burke, if we rip up those standards ourselves and do not abide by those conventions, there is no way we can look at our neighbours with straight faces and ask them to improve their standards of treatment for refugees and asylum seekers.

**Education Funding**

**Mr SYMON** (Deakin) (13:57): I congratulate Ainslie Parklands Primary School on the official opening of their $850,000 BER project which I attended on 16 June. Also in attendance was Alan Baker, the school principal; the school council president, Dr Paul Chandler; the Mayor of Maroondah, Councillor Rob Steen; and many students, parents, teachers, former students and former teachers.

The school has wisely invested its BER money in the construction and refurbishment of classrooms and a new school building foyer and facade—truly great additions to the school. I have now had the pleasure of opening more than 32 new BER building projects at schools in the electorate of Deakin and there are still more to come. I know that Ainslie Parklands' new classroom spaces and break-out rooms were handed over many months ago and, since then, the students, teachers and parents have been able to enjoy teaching and learning in a modern environment they thoroughly deserve.

As good as it looks now, a project such as this does not happen overnight. It can often take a lot of time to get things right. Ainslie Parklands Primary School, although better known to me as Croydon West Primary School, is well established, with a long and proud history. This year, and indeed on this day of the official opening, was its 50th anniversary. I congratulate everyone involved with that. It was a great effort for the school. So many people put in so much time and effort to make the day a very special one. Combining it with their BER project was very fitting and special.

**Asylum Seekers**

**Mr KEENAN** (Stirling) (13:58): I was the deputy chair of the SIEV221 incident inquiry. SIEV221 was the boat which went down at Christmas Island in December 2010.
That boat came under its own power and steamed around the rocks before it floundered in a dreadful sea. The boat came in and out with the swell in what were the worst conditions that anyone had seen at Christmas Island.

That incident in December 2010 has been followed by other dreadful incidents, including the two we have seen this week and the one that is unfolding toward our northern border as we speak. Every member of this parliament wants to do something to stop this from happening. The fact that we are currently debating procedure will be judged very harshly by the Australian people.

We believe in offshore processing. We invented offshore processing in the teeth of fierce opposition from others in this parliament and sections of the Australian community. We did so because we believed it was right and we had the resolve to see it through because we believed that it was going to work—and it did. We need to return to a situation where we can process offshore again.

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

STATEMENTS ON INDULGENCE
Asylum Seekers

Ms GILLARD (Lalor—Prime Minister) (14:00): I can advise the House that a major rescue operation is underway right now, 107 nautical miles north of Christmas Island and 100 nautical miles south of Indonesia. As this parliament sits, we have planes in the air and merchant vessels on the scene and HMAS Maitland has arrived. The information I will give the House now is the latest information available. Of course, the information can be changeable; it is always difficult to get accurate information when a search and rescue mission is underway. But I am advised that this morning, at approximately 6.17 am Australian Eastern Standard Time, the Australian Federal Police received a satellite call from a vessel possibly in distress two nautical miles north of Christmas Island. Information about the vessel was immediately passed to the Australian Maritime Safety Authority. Border Protection Command vessels rushed to the scene but found nothing two nautical miles out from Christmas Island.

I am advised that at approximately 7.30 am the Australian Federal Police received a further call from the vessel, advising that it was actually 107 nautical miles north of Christmas Island. This has prompted a major search and rescue effort, as I am sure the House can imagine. I can advise that a number of merchant vessels responded to the Australian Maritime Safety Authority's calls for assistance this morning. By approximately 10.30 am Australian Eastern Standard Time, two merchant vessels had reached the estimated location of the vessel in distress.

The Australian Maritime Safety Authority advised that a merchant vessel reported seeing a vessel stopped in the water with people on board wearing life jackets. No people were reported as being in the water. At 11.37 am Australian Eastern Standard Time, the merchant vessel reported that the vessel was sinking and that there were people in the water. I am advised that the merchant vessel did what it could to assist at that point, including deploying its life rafts to render assistance. I am advised that the HMAS Maitland arrived on the scene about an hour ago. I am also advised that a Royal Australian Air Force maritime patrol aircraft carrying life rafts has flown to attend the scene.
I am advised that there are approximately—our numbers obviously can change, but there is reason to believe that there are around—123 to 133 people on board. As we speak, my best advice is that 123 people have been rescued. Clearly, then, the lack of precision about the numbers of people on board does not enable us to be precise at this time as to anyone who is unaccounted for. Standing here in the parliament now, I simply do not know.

Australia has been called on, once again, to lead a very major search and rescue operation. Once again, Australian men and women have raced to help. They have gone to the rescue zone. They have gone in search. Once again, we acknowledge their courage in doing so.

In view of these events and in view of the events of last week, I want to say to the parliament now most sincerely that I believe the time for the party divide on this issue is at an end. We have seen too much tragedy, and I cannot—and I do not believe other members of parliament can—now sit here with the prospect of more tragedy to come.

In these circumstances I have requested that Mr Oakeshott be prepared at this moment to bring on his bill on immigration amendments so that the House can now, I hope, by leave and in agreement, deal with it to finality. As the House may be aware, that bill has finalised its second reading and, consequently, we would just need to deal with the third reading stages of the bill.

I actually think it is of significance to this parliament that this is a bill brought to this place by an Independent member of parliament. Given all of the circumstances here, I, as the Labor leader, would want to walk from this place saying: 'No-one won; no-one lost. It wasn't about party politics. It wasn't about who has got what sort of party ticket in their pocket. We just worked together to get something done.'

I have reason to believe that the bill moved by Mr Oakeshott may be in a position to command majority support in this House of Representatives. I seek to have that tested now and the bill dealt with to finality.

To the Leader of the Opposition: I understand that he is of a different view from me on the substance of the policy here, and that is as it may be. But what I can undertake to the Leader of the Opposition is: if Mr Oakeshott's bill passes this House of Representatives—if, indeed, it passes this parliament—then what the government will do on that legislative foundation stone is what the government offered to the opposition some time ago. That is, the government would enact a policy position that the opposition has advocated for quite passionately, and that is the opening of a detention centre on Nauru, as well as the government taking the appropriate steps to enact its arrangement with Malaysia.

I also undertake to the Leader of the Opposition that we would pursue in good faith the review of temporary protection visas and their deterrence value that we offered to the opposition some time back. We would do that in circumstances where we would make all reasonable efforts to agree with the opposition the identity of the reviewer or reviewers and the terms of reference of the review, and that there would be full transparency to the opposition at every stage. That is, we would not seek to have the outcome of that review come back to the government first. On the day I receive it the Leader of the Opposition would receive it too.
In these circumstances, I am now going to ask this parliament, by agreement, to make some procedural arrangements and then I am going to ask this parliament—I would hope by agreement—to give a majority to the bill moved by Mr Oakeshott. Can I also undertake to the opposition that bringing the bill on at this time is not about whether or not we have question time today. If the opposition finalise Mr Oakeshott's bill then I am well and truly content for us to have question time of the usual duration so that the opposition has its ability, as is appropriate, to ask questions of the government in this place.

It is in that spirit and with those words that, at this stage, I ask leave of the House to move a motion to enable the Migration Legislation Amendment (The Bali Process) Bill 2012 to be called on and considered immediately.

The DEPUTY SPEAKER (Ms AE Burke): Is leave granted?

Mr Abbott: On indulgence—

The DEPUTY SPEAKER: Before I go to indulgence I actually need to know—

Mr Hockey: He's the Leader of the Opposition!

Mr Pyne interjecting—

The DEPUTY SPEAKER: The member for North Sydney! The member for Sturt! The Leader of the Opposition will resume his seat. Procedurally I have to put the question as it has been asked—before the Manager of Opposition Business gets up. Could the Manager of Opposition Business please resume his seat. Please just let me proceed. Thank you. I am going to ask for consideration from the Prime Minister to seek leave at the end of the Leader of the Opposition's statement.

Ms Gillard: I am very happy to do that, Madam Deputy Speaker, and enable the Leader of the Opposition to make remarks on indulgence at this time.

The DEPUTY SPEAKER: Thank you. We will put the leave question after the Leader of the Opposition makes his statement. The Leader of the Opposition has the call and will be heard in silence.

Mr ABBOTT (Warringah—Leader of the Opposition) (14:10): Thank you, Madam Deputy Speaker, and I thank the Prime Minister and the government for facilitating this opportunity to speak on indulgence.

Plainly this is a sombre day. Plainly this House meets in the shadow of unfolding disaster in the seas to our north. Plainly this is the kind of occasion when we should try to put aside some of the ordinary partisan politicking that so often marks this parliament. Nevertheless, I do not think anyone on either side of this parliament would expect people to put aside their strongly held beliefs and their strongly held principles about the various policy positions which have been put by different people in this parliament on the question of border protection. I will come to that shortly.

I thank the Prime Minister for her update on the emergency operations now taking place for search and rescue in the seas to our north. I congratulate the merchant ship on its fine work. I obviously thank and admire the Australian military personnel who are now, as they always do, preserving life under difficult circumstances. Nevertheless this latest disaster, the second in under a week, does raise very serious questions which need to be considered by this parliament and by the government. Obviously there are serious questions about the resources that our government has in the area, given the increasing flow of boats and the increasing overloading of dangerous and risky boats in this area. Obviously there are serious questions about how we can have better
cooperation with Indonesia, given that this disaster and the disaster last week have taken place in Indonesia's search and rescue area. And, yes, there are fundamental questions about government policy and about what this parliament has been doing over the last six months.

The fact is that the government has had a bill in this parliament since late last year, and at any time this government could have brought the bill forward for decision. It chose not to do so. Instead the government worked with the member for Lyne, Mr Oakeshott, to bring a bill into the parliament in almost identical terms to the government's bill—not a bill that was strictly moved by the government but a bill which was in almost identical terms to the government's bill.

The opposition has very serious problems with the government's bill. We do not like and will never like the Malaysian solution. We are perfectly happy with Malaysia as a country, but as a place for boat people to be sent we do not believe it works. We do not believe it meets the ordinary standards which the Australian public would expect of the conduct of the Australian government. Let us be very clear what this opposition has been consistently saying for six months, ever since the Malaysian deal was mooted by the government. We have said that this is a dud deal for Australia and we have said that it is a cruel deal for boat people.

We have always believed in offshore processing, but we have always believed in offshore processing with protections, and it is these protections which have been stripped away from boat people in the legislation which the government first put and which now the member for Lyne is putting. We know that while the opposition has been absolutely consistent for a decade in our support for offshore processing with protections, the Labor Party—the government—has radically changed its position. First it was totally opposed to any form of offshore processing, then at the last election the Prime Minister said the government supported offshore processing at East Timor, but she explicitly ruled out—on numerous occasions before the last election—processing in a country that had not signed the UN convention, and then only last year did the government finally say that it wanted offshore processing in a country that had not subscribed to the UN convention.

I want to make it crystal clear that at any time in the last six months the government could have taken this action, but at no stage did bring its bill forward, and it certainly has not brought Mr Oakeshott's bill to the conclusion that it now seeks to give to his bill. By contrast, the opposition's position has been absolutely crystal clear all along.

Earlier today, until interrupted by 90-second statements and without facilitation from the government, I tried to give this parliament a way forward that embraced the common ground that now exists on both sides of this chamber: support for offshore processing at countries which have subscribed to the UN convention. That is acceptable to the opposition. It is acceptable to the government. I believe that that is the legislation that should now be dealt with by this parliament. I think that, if this Prime Minister really wanted our nation to go forward on a united basis, the best thing she could do would be to allow the legislation that I sought to bring into the parliament earlier today to go forward, because we know that there are many members opposite who do not like the Malaysia deal. We know there are many members opposite who have spent a parliamentary lifetime attacking offshore processing in any shape or form, let alone offshore processing without any protections whatsoever.

CHAMBER
If this parliament is to be offered a piece of legislation which is most consistent with the consciences of the members of this parliament, it should be the legislation that I sought to bring forward earlier today, legislation that every coalition member of parliament and every Labor member of parliament ought to be able to live with in his or her conscience, because it allows offshore processing with the kinds of protections that a decent and humane country such as Australia should always have in place. That is what the coalition offered the parliament an hour or so back and I deeply regret the fact that this Prime Minister and this government have not allowed this bill to go forward.

That concludes my remarks on indulgence. I think it would be appropriate for the Prime Minister to allow the coalition to consider its position, given that we have had no notice of this. I did seek to speak to the Prime Minister just after one o'clock today to inform her of my intentions. Unfortunately, until she got to her feet at two o'clock, I had no notice of her intentions.

Ms GILLARD (Lalor—Prime Minister) (14:19): To the Leader of the Opposition, I do believe that there is some urgency in the House in dealing with this matter now. I believe the eyes of the nation are upon us, given this second incident with an asylum seeker vessel, and nothing is to be gained by delay. I trust that the House will give leave. I ask leave of the House for a motion to be moved to enable the Migration Legislation Amendment (The Bali Process) Bill 2012 to be called on and considered immediately.

Leave granted.

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (14:20): I move:

That so much of standing and sessional orders be suspended as would prevent the Migration Legislation Amendment (The Bali Process) Bill 2012 being called on and considered immediately.

I do not think it is appropriate that there be a discussion. It is more appropriate that we move on to the debate of the legislation.

Question agreed to.

**BILLS**

Migration Legislation Amendment (The Bali Process) Bill 2012

Consideration in Detail

Bill, by leave, taken as a whole.

Mr OAKESHOTT (Lyne) (14:21): In the short time that I have I would like to reiterate that this bill, the Migration Legislation Amendment (The Bali Process) Bill 2012, should pass this parliament not only because of events today but also because of events of the last decade. I urge all members of this House to at least allow this to be tried—and, by all means, if it does not work, take it to the next election, take it to the people. But we should in this chamber allow an executive to do its job. This is in no way running interference on community based detention, on onshore assessment or on issues of genuine refugee and asylum status in Australia. This is, as much as anything, trying to stop the loss of life at sea of people trying to get to Australia for a number of reasons. This is trying to reach bilateral agreements with countries in the Asia-Pacific region to slow the movement of people within our region. This is attempting to try to break criminal syndicates that are running off the edges of asylum seekers and genuine refugees and are involved in the insidious trades of people smuggling and—the one that does not get much airtime in Australia but should—the worst crime of all, in my view, the crime of people trafficking, particularly in the sex trade in the Asia-
Pacific region and, yes, right here in Australia as well.

I want to clarify again what I wrote to all members on 13 March—that is, that this is not a carbon copy of the government’s Malaysia bill. This is a combination of three things. Firstly, it is trying to codify in domestic law the Bali process, which is a bipartisan process started by Alexander Downer in 2002, continued by the Minister for Immigration and Citizenship and others and co-chaired by Australia and Indonesia. With the Indonesian President coming here next week, what better message from this parliament than to say that we as an Australian parliament want to reach out to Indonesia and work together to slow the movement of people in our region? The Bali process is the regional cooperation framework—and I am happy to once again, if required, recirculate the key principles of that Bali process. They are good, defining principles for what I think we are all trying to achieve with respect to border protection and humanitarian issues in dealing with refugees and people smugglers. That is the first part of this bill.

Secondly, it does pick up on elements of the government bill in response to the recent High Court decision. That is a game-changer. This bill does pick up on part of that.

Thirdly, it also picks up on is the Liberal-National coalition amendments to the above bill, which attempt to allow only countries participating in the United Nations 1951 refugee convention to participate in bilateral agreements on offshore assessment. On this third point, I refer you directly to the following sections of the bill that try to pick that up—section 198AB and section 198AC, which look at offshore assessment country processes and the way that documents should be now laid on the table so that basically anything the Minister for Immigration and Citizenship does from here on has to come before the parliament, and organisations like the International Office of Migration and the UNHCR have to table documents in this place in a transparent way and in a way that allows for debate to continue in this chamber.

It is not correct that the Leader of the Opposition says that the coalition’s position has been consistent—and I am happy to recirculate the letter I sent to everyone on 13 March which identifies the significant shift in the position of the coalition and their relationship with the UN refugee convention. They have flipped on that in the last two years and are now using that as a straw man argument to run interference on getting this parliament to do something.

Today is the day that we do something, and I urge this House to finally pass this bill.

Mr MORRISON (Cook) (14:26): I acknowledge the good intentions of the member for Lyne and I acknowledge the good intentions of, I think, every single member in this House of wanting to address this issue. But good intentions are not enough to deal with the problem that has been before this place for the last five years. It was good intentions, I am absolutely sure, that led members of that side of the House when they came to government to abolish the measures that existed under the Howard government. It was the arguments of many outside of this place who campaigned for years and years—and described those measures which kept our borders secure and ensured that fewer than 300 people turned up in six years—and that prevailed in 2007, and the measures that were in place were abolished. Since then we have seen more
than 19,000 people arrive and we have seen more than 330 illegal boats arrive—and, even as we speak, we are seeing another tragedy unfolding to our north.

The Migration Legislation Amendment (The Bali Process) Bill 2012, which has been put forward by the member for Lyne, effectively achieves the same outcome as the government's bill in abolishing all human rights protections that are legally binding under our Migration Act. That is what it does, and I will move in my name amendments that would seek to restrict those countries that could be eligible for offshore processing under the member for Lyne's bill to be limited to those countries that have signed the refugee convention. It was the High Court itself when it issued a statement on the matter that has focused the minds of the parliament today that said:

The Court held that, under s 198A of the Migration Act 1958 (Cth), the Minister cannot validly declare a country (as a country to which asylum seekers can be taken for processing) unless that country is legally bound to meet three criteria. The country must be legally bound by international law ...

That is what it said. This bill does not confine or restrict those countries to those countries that are bound by international law.

The question is asked: why is this important now to the coalition? It is a simple answer. It is because this bill, as with the government's bill, seeks to remove the legally binding human rights protections in the act. And when you remove those protections, those on this side of the House, who believe in offshore processing and offshore protections, say that those measures should be replaced by other legally binding protections. The only objective, legally binding protection that can be used as a litmus test for this parliament to give instructions to the executive as to which countries and which places they could send people is whether a country is a signatory to the refugee convention. There are 148 countries who have signed that convention. That includes the Philippines, that includes Nauru, that includes Papua New Guinea, and that includes many other countries.

These protections are important. You have to ask yourself the question: why is it necessary to abolish the protections that exist in the Migration Act to allow this abominable Malaysian people swap deal to proceed? Why is that necessary? Why must you abolish human rights protections to enable this deal to proceed? That is what is being put before this parliament, not only by those members opposite but also by the member for Lyne. The Bali process, as he outlined in his bill, is a worthy process and one we initiated in government but it does not provide legally binding international obligations on its participants. We believe in a bill that would have the consensus of this House and of the other place—because the only bill that will leave this parliament this week is one that reflects the consensus of both houses of this parliament. That is the bill that the Leader of the Opposition referred to earlier, when he sought to have that bill introduced and was frustrated by the members of the government.

Madam Deputy Speaker, I seek leave to move the amendments and I implore this parliament to protect those protections in the Migration Act for offshore processing. (Time expired)

The DEPUTY SPEAKER (Ms AE Burke): Is the member for Cook seeking to move the three amendments standing in his name?

Mr MORRISON: I am.

The DEPUTY SPEAKER: The member for Cook will need to seek leave of the House.
Mr MORRISON: I seek leave to move the amendments standing in my name.

Leave granted.

Mr MORRISON: I move opposition amendments (1) to (3):

(1) Schedule 1, item 25, page 6 (lines 14 to 16), omit paragraph (d), substitute:

(d) the designation of a country to be an offshore processing country need be determined only by reference to the fact that the country is a party to the Refugees Convention or the Refugees Protocol.

(2) Schedule 1, item 25, page 6 (lines 20 to 23), omit subsection 198AB(2), substitute:

(2) The only conditions for the exercise of the power under subsection (1) are that the Minister thinks that it is in the national interest to designate the country to be an offshore processing country, and that the country is a party to the Refugees Convention or the Refugees Protocol.

(3) Schedule 1, item 25, page 8 (lines 7 to 9), omit paragraph (f), substitute:

(f) a copy of the instruments of accession by the country to the Refugees Convention or the Refugees Protocol.

The DEPUTY SPEAKER: Is the motion seconded?

Mrs BRONWYN BISHOP (Mackellar) (14:32): In seconding these amendments to the bill, I highlight the fact that the Prime Minister has attempted to say in this chamber today that she wanted the politics to be set aside, but she in fact does not. If she did, she would agree to the amendments.

The sticking point is, as the member for Cook has just outlined, that we on this side insist that a country where offshore processing is to take place must be a country that has signed the United Nations Convention Relating to the Status of Refugees. The member for Cook has pointed out that Nauru, Papua New Guinea, East Timor and the Philippines are countries that have done so, and that Malaysia is a country that has not. The member for Cook has also pointed out that the High Court said that the minister was incapable of giving protection under section 198A of the Migration Act to protect the rights of those people—and that showed, quite frankly, that he had not done his homework.

The proposed Malaysian solution—what a hideous term it is—is in fact a trade in human flesh. It is swapping human beings from point A to point B and it is totally and utterly unacceptable to this side of the House. If the Prime Minister were fair dinkum about her wish to find a way through this impasse and to see that we have legislation enacted that would be a deterrent to the trade of the people smugglers, then she would agree to these amendments.

It is quite clear that when those on the other side of the House get up and deny, as they regularly do, that the legislation that was implemented and the actions that were taken by the Howard government worked and that the boats stopped, they are in absolute denial. There was one person on ABC Radio this morning who did admit that the boats stopped as a result of the Howard actions, but said that that did not actually amount to a solution for the difficulty. The fact of the matter is that by having temporary protection visas, by having offshore processing and by turning boats around when safe to do so—and our proposal is not, as the Minister for Trade and Competitiveness said this morning, to tow boats around, again, a misleading statement; our proposal is that boats be turned around where it is safe to do so—the Howard government took actions that worked.

The overall and most important requirement on this side of the House is that offshore processing only take place where the convention has been signed. Choosing to have a trade in human flesh with a nation
that has not signed the refugee convention shows that the Prime Minister has no legitimacy and no real concern about trying to stop those boats being put to sea. We saw all the intoning and all the trickery that went on prior to question time, when the Leader of Government Business was trying to stop the Leader of the Opposition moving to suspend standing orders and have a vote in order to see the opposition's bill—the bill that would be the step that is necessary to stop the trade of the people smugglers and to stop people putting their lives at risk on the high seas.

Madam Deputy Speaker, if the government has any sense of wanting to show the Australian people that it can tell the truth on just one thing, it will agree to the opposition amendments that have been moved by the member for Cook. It is not too late for the government to change its mind, if it sees fit to do so. It is not too late for the Prime Minister to stop intoning about wishing to find a solution and take some action that will stop the boats. That means having the three-pronged policy: you turn the boats around where it is safe to do so; you have offshore processing but only where the refugee convention has been signed; and you have temporary protection visas so that, when it is safe for a refugee to return to their homeland, they will do so. In the meantime there is no family reunion, which is part of the 'sugar on the table' that Indonesia refer to when they talk about Australia tempting people to come here and risk their lives. We have the opportunity right now to take action by accepting the amendments as moved by the member for Cook. (Time expired)

Mr BOWEN (McMahon—Minister for Immigration and Citizenship) (14:37): The Australian people are watching this parliament. The Australian people are asking the question: will this parliament put aside the partisan political divide to save lives? This parliament should today say: 'Yes. We will put aside the politics of the ordinary days, we will put aside partisan point-scoring and we will act to save lives.'

Ms O'Dwyer interjecting—

The DEPUTY SPEAKER: Member for Higgins, I will not truck anything during this debate. There is a vote at the end of it. The minister has the call.

Mr BOWEN: There are people who have criticised the Malaysia agreement. There are people who will continue to criticise the Malaysia agreement as being too harsh. There are difficult decisions for governments and ministers and parliaments to make. There is nothing as harsh as dying on the sea. There is nothing as harsh as saying to people, 'You must risk your life to come to Australia in order to receive Australia's protection.' There is nothing humanitarian about that approach and there is nothing as harsh as saying, 'We will let that position continue.'

The opposition say it is the job of the government to govern, and they are right. It is the job of every member of parliament to look inside their conscience and act in the national interest. There has been a legitimate debate now for many years about what works and what does not, about what would be effective and what would not, about what is fair and what is not. The opposition say that a detention centre on Nauru would work as a disincentive. We disagree. By itself, it is simply people being processed and then transferred to Australia after receiving refugee status. We say that would not work. We say the Malaysia agreement would work. The opposition disagree. But we say this: is there one single member of this House who could argue with any conviction, with any responsibility, that implementing the Malaysia arrangement and a detention centre on Nauru could not save lives? Is there one member of this House who could argue that?
I would submit there is not. And, if every member of this House accepts that implementing Malaysia and Nauru together would save lives, there is an obligation to vote accordingly. There is an obligation to act in the national interest. There is an obligation to put people's lives before partisan politics.

The opposition say that they have had a consistent view for many years. But the view that an asylum seeker can only be transferred to a country that is a signatory to the refugee convention is a new one. Nauru was not a signatory to the refugee convention when the policy was implemented by the previous government. My colleague the shadow minister for immigration, when asked whether it would be a precondition that Nauru be a signatory to the convention, said on 27 July, 'No, it is not a precondition that Nauru is a signatory to the refugee convention.'

Nauru is a participant of the Bali process. The member for Lyne's bill makes clear that transfers could only occur to nations that are signatories to the Bali process. The opposition say that you cannot transfer somebody to a country which is not a refugee signatory, but their policy, which was repeated just then by the opposition spokespeople, is to return boats on the high seas to Indonesia, which is not a signatory to the refugee convention. They say it is okay to turn a boat around to a non-signatory country but it is not okay to send people by plane to a non-signatory country. The House will forgive me for questioning the consistency of that approach. To me that says one thing: there can be, on behalf of the opposition, no consistent and coherent opposition to this bill.

I conclude my remarks with a quote from a Prime Minister:

In commending this bill to the parliament, I again say to the opposition—to their representatives in this House and also in the other place—that it is in the national interest that this bill go through tonight.

That was not this Prime Minister. That was John Howard in August 2001, appealing to the opposition to support the bill which allowed Nauru. The then Leader of the Opposition, Kim Beazley, acted in the national interest. He said that he did not agree with everything that the government was proposing and that he did not support the government in all elements but that he recognised that governments have an obligation to act in the national interest, and I call on this opposition to do the same. (Time expired)

Mr KEENAN (Stirling) (14:42): As I outlined in my 90-second statement before question time, I was the senior opposition representative on the SIEV221 inquiry, which looked at the disaster we had in December 2010. A boat had left Jakarta, like literally hundreds of boats before it. It sailed for a couple days down the Sunda Strait and arrived at Christmas Island. But it arrived at Christmas Island on a day when the sea state was the worst sea state that people on that island had seen in their lifetimes. Other members in this chamber who sat on that committee will certainly recount the day when we went down to where that boat foundered and we spoke to the Australian personnel who had rescued the people who were on that foundering ship. They told us specifically that, when the ship came in, the sea state was so bad that it flooded the engine of that boat. The boat had no power left to proceed under its own steam. So the boat could only be captured by the swell, and it would be pushed onto the rocks and the swell would take it back out, then it would be pushed back onto the rocks again. The Australians and the Christmas Islanders—
well, they are Australians as well—stood on the shore, and they were literally the distance between me and the government benches away. In fact, at some stages during that rescue they were closer. They were indeed so close that somebody managed to jump—astonishingly, this incredibly lucky individual managed to jump—from that vessel onto Christmas Island. That is how close that boat came to the island itself. One of the Australians told me that he looked face-to-face at a child who he could not rescue even though he could almost touch her, and that child perished. Australian forces will be dealing with similar things at the moment, and, of course, they dealt with terrible tragedy earlier on this week.

I never questioned the sincerity of other members of that committee, and I do not question the sincerity of other members of the parliament today, but I do believe the position we have is the right one. I do believe that it is the right position. I do not believe that we should be sending people to Malaysia. I actually believe that all 150 members of this place have good intentions when it comes to this particular bill. But we need to do something that is going to be effective, and I genuinely believe that the opposition's policies, which have been criticised for many years as being too tough, are necessary for this parliament to come together, to stop people-smuggling and to stop this from happening again in the future.

Mr Turnbull (Wentworth) (14:47): There are no measures deployed by governments in the battle against people-smuggling which are particularly palatable. All of them have great difficulties, contradictions and painful choices associated with them. They all have aspects which are cruel, but it is our jobs as legislators and it is the Prime Minister's job as the head of our government to reach a balance between ensuring that there is a complete end to people-smuggling on the one hand, which could obviously be achieved with the cruellest imaginable measures, and on the other hand for Australia to maintain its duty as a compassionate and generous country respecting its obligations under the convention.

Finding that balance is very hard. There was a time after the election of the Labor government in 2007 when there was a view—and I do not suggest that view as anything other than sincerely held—on the part of the government that the rate of people-smuggling, the rate of asylum seeker arrivals, was entirely a function of push factors and that Australian domestic policy was irrelevant. I recall, as Leader of the Opposition at the time, saying again and again that the push factors varied, certainly. Sometimes they were immense; sometimes they were even more immense, but they were always immense and therefore the factor that impacted on the rate of arrival was Australia's domestic policy. Well, we had an experiment. Australia's domestic policies were changed and the arrivals increased and increased and increased. As a consequence, given the nature of the vessels that these desperate people embark upon, the nature of the seas and, all too often, the inexperience of the captains, the deaths are increasing as well. And so we have come full circle and we are back here seeking to find a way to stop the people-smuggling trade.
The government wants the opposition to agree to the Malaysian solution. It states in its defence the testimony of Andrew Metcalfe, the head of the Department of Immigration and Citizenship, a very experienced man, no doubt. He says that the Malaysian solution will be effective. He recognises there are problems with it but he says it will be effective. Our objection to it is not whether it will be effective or not, because only time would tell, were it to be implemented, but because it fails to reach the right balance of protecting human rights. It abandons any human rights protection, the human rights protection contained in the convention.

Politics is the art of the possible. This nation, this parliament, needs to make a decision on this this week. The coalition has resolved not to support the Malaysia solution. That decision has been taken. The consequence of that is that even if this bill is passed in this chamber—and I do not doubt it may well be passed—it cannot possibly pass the Senate, so it can never be law. So what is this about, other than an effort to embarrass the coalition and to put pressure on the coalition?

I appeal to the Prime Minister to do this: to agree to the amendment. Let us pass the legislation so that Nauru can be reinstated. Let us do that; let us effectively reinstate not all but the bulk of the Howard government's policy. If that does not work—because you will never know until you try these policies—then the Prime Minister has a basis to come back and argue that the balance between the humanitarian part of the equation and the desire to ensure border security should be re-examined. What the Prime Minister is doing is allowing her conception of the perfect to be the enemy of the good. There is something that can be achieved today. Nauru should be achieved. If it does not succeed then she has the opportunity to ask for stronger measures. (Time expired)

Mr DUTTON (Dickson) (14:53): I rise to support the amendments moved by the shadow minister, the member for Cook. I want to pay tribute firstly to those emergency service and defence personnel, who, it has already been noted as part of this debate, are doing their very best, doing their utmost to try and recover the best outcome as is possible in these very difficult circumstances.

I also want to acknowledge the people who have contributed to this debate in this chamber because there have been some heartfelt contributions. People are well and truly adequately reflecting the mood within the Australian public at the moment. The Australian public, like those on both sides of this chamber, want an end to the smuggling of people. That is the basic premise from which we all approach this debate. The words from my good friend the member for Stirling before gave a rare window into why there are such strongly held views, passionate views in this debate. The member for Stirling and others heard firsthand the experiences of those people who were involved at the coalface—what they faced when they went to the terrible scene and the way in which some survivors were plucked from the sea and some were not. Those stories will live with people forever.

This has not been the first case. There are many boats, undoubtedly, that have gone to the bottom of the ocean that we will never know about. That is why the coalition strongly believe that our position that we put to the parliament today—that we have consistently put to the Australian people over the course of the last 10 years—gives us the best capacity to strike a fatal blow to that people-smuggling model. That is why people have seen passion in this debate today.
Yes, no doubt the government believes the solution it is putting forward will achieve the same outcome. But the facts must conclude a different outcome. The facts are that when the Howard government had in place a model that involved a number of elements that have been well canvassed as part of this debate, it did reduced to a trickle at best the number of people who were arriving by boats illegally in this country. It is on that solid base of evidence that the shadow minister, with the support of the shadow cabinet and many professionals otherwise, has decided that our course of action says to the Australian people that we have the best chance of implementation and of successfully carrying out a policy that must be well executed.

What the Australian people must also ask themselves at the moment is this: despite the fact that both parties have good intentions, which party has the capacity to implement a change that will be for the betterment of not just this country but also for those people who are suffering in camps and in desperate situations across the world? This is a policy which has been well thought out. It is a compassionate and a balanced policy. The shadow minister for immigration has moved these amendments because he believes passionately, as the opposition does, in making sure that a country be signed up to the convention. That would afford a basic human right which is not present in what the government puts forward, and that is despite years of consistent belief in the opposite viewpoint held, and abandoned, by many as part of this debate. That is the key consideration for the Independents in this debate at the moment.

The key Independents, who will decide this vote, need to consider, as we ask the Australian people to consider, who has the runs on the board? Who has the capacity to implement the change that can restore integrity to the system? Who has the capacity to say to the Australian people that we have a better way forward? The fact is indisputable that a significant part of the government's actions in 2008 has led us to the position we are in today. That is why we implore the Independents to consider the position of the opposition and to support these amendments. (Time expired)

Mr CLARE (Blaxland—Minister for Home Affairs, Minister for Justice and Minister for Defence Materiel) (14:58): I was sworn in as the Minister for Home Affairs on 14 December last year. Four days later, I had the responsibility to advise the Australian people that a boat had capsized off the coast of Indonesia and that potentially up to 200 people had perished. Last week, I had to do that again. Today, we face the awful prospect that more people have died.

I believe that Australia has had a gutful of us fighting on this issue. They are sick of us fighting, they are sick of the politics, they are sick of hearing of more people dying, they are sick of us yelling at each other and they just want us to fix this. Both of us, both Labor and Liberal, believe that the best way to stop people dying at sea is offshore processing. The people in the gallery, the people listening on radio and the people across this country scratch their heads and ask, 'If both of the major parties agree that this is the way to do it, why can't they sit down and fix it?'

It is incumbent on all of us at this time to remember what this debate is all about. In the last 12 months more than 300 people have drowned. On 15 December 2010, 50 people died off Christmas Island. On 1
November 2011, eight people drowned off Indonesia. On 17 December last year, 200 people drowned off the coast of Indonesia; 100 were subsequently washed up onto the beaches of Java, and 100 more still lie at the bottom of the Java Sea. On 1 February, 11 people drowned off the coast of Malaysia. Last week another 90 drowned—and now there is today.

Stopping this horror is within our grasp. But it requires legislation, so it requires all of us to work together. That means being willing to give a bit. It means being willing to compromise—to give a bit of ground to save lives—and to do what Labor and Liberal MPs did a decade ago after Tampa and after September 11, when we worked together to pass difficult immigration and national security legislation in this place. That is what the people of Australia expect of us now. That is what they are imploring us to do right now.

There are good people in this place on both sides of the chamber. There are people who want to do this. They want to pass this legislation today, and they want to reach an agreement to stop people drowning at sea. That is what we have the opportunity to do right now. To do that we have offered to establish a processing centre in Nauru. We have offered to implement the opposition's preferred location for offshore processing. We have offered to increase UN involvement in Malaysia. We have offered an independent review of temporary protection visas.

I ask members: remember Tampa; remember September 11. On both occasions the Liberal government came into this place and asked for special powers to deal with a crisis to save lives. The opposition—a Labor opposition—supported them. That is what we need to do now. We all support offshore processing. We support Malaysia; the opposition supports Nauru. Let's do both. As the Prime Minister said, 'The eyes of the nation are upon us.' While we keep fighting, more people will drown. Stopping this is within our grasp. We can vote for this legislation right now. I say to all members: it should not take another 300 people to drown for us to pass this legislation.

Mr RUDDOCK (Berowra) (15:03): On this matter over recent weeks I have held my counsel. I have often been reviled for the policies I implemented on behalf of the Howard government, even by members in this place. I note that we are being asked now to implement measures that reflect some, if not most, of what the Howard government sought to implement.

The comments I will take up now are those which have it that the measures the Howard government implemented were with the support of the then opposition. Those who were there may remember that this support was not initially forthcoming. I went to see Kim Beazley, the then Leader of the Opposition, in his office to take him through certain changes that we made to the relevant legislation at that time. I can well recall his words that, with those changes, which incorporated certain fundamental human rights obligations on offshore processing, the legislation would have the opposition's support. This matter turns on the very question of whether or not you walk away from those obligations on offshore processing now. We are seeking in the amendments proposed to do no more than Kim Beazley demanded of us at that time.

Mr BANDT (Melbourne) (15:05): I think that no-one in this chamber or in this country wants to see people die on boats at sea, from torture, from famine or from poverty. I think we all share a belief that everyone deserves the right—

Mr Haase interjecting—
Mr BANDT: Could I ask the member for Durack to please hold his tongue and to stop the usual yapping that we get up the back, which he is well known for. This is a sensitive debate.

The DEPUTY SPEAKER (Ms AE Burke): Order! The member for Durack is warned. The member for Melbourne has the call.

Mr BANDT: Thank you, Madam Deputy Speaker. No-one wants to see people die, whether it is at sea, whether it is from torture or whether it is from starvation. I think we all want to see people have the right to safety and to have their lives and liberty preserved. If they choose to flee because they do not get that safety in their homeland, then we have signed up to laws to ensure that they are treated with dignity and that their safety is preserved as they flee and seek asylum or refuge somewhere else.

What is clear is that the protection system which we have signed up to has some holes in it. It has holes in it big enough for boats to fall through. One has to ask: why is it that people are getting in these boats and risking their and their families' lives? One only has to look at the state of Indonesia and the Indonesian camps and the fact that some people have been waiting there for over a decade. The United Nations has two people processing asylum claims for the whole of the country. The budget for the UNHCR in 2013 is going to be less than it was in 2011. We need to understand why people, who do not understand the system they are facing, look at their future and cannot see a safe pathway out and then take the ultimate step where they put their lives at risk. Over many years the debate on notice asylum seekers in this country has been characterised by negativity. There was talk under the previous government of ‘queue jumpers' when in fact we know in many places there was no queue at all. We focused on people who were coming here by boat and ignored the thousands that arrived each year by air and the tens of thousands of backpackers and tourists who overstayed their visas and were the true illegal immigrants.

We have come to a point where it is seen that the only answer is offshore processing. I, along with many others, had hoped that in this parliament we might see a change in approach. The member for Wentworth said that politics is the art of the possible. We used to do things differently in this country. One only has to look back 30 years to see a regional solution that involved some onshore processing and some offshore processing and allowed up to 100,000 people to resettle in this country after the Vietnam War. We saw people coming by boat and said that was an appalling situation and that we needed to do something to fix it. We worked regionally—we stopped the boats—and we allowed people to resettle here because we had the protection of the people who were fleeing persecution as the central factor. We did not try and demonise them; we did not engage in a race to the bottom. The key factor was their protection.

This morning I sat in a room with some people who I felt shared that glimmer of hope that we might use this opportunity again to craft what might be a real regional solution based on protection—a solution that would stop the deaths, that would uphold international law and that would protect people's rights. Instead we have a bill that rips up the refugee convention and would allow future governments to send people to Syria, Iraq or Afghanistan. We are at a key moment. Do we lift the standard of debate, do we lift the standard of protections and do we uphold laws or do we trash the refugee convention and push down the standards of protection that apply in this region?
I conclude with one point: if we as an advanced, wealthy country with resources and as a country which has signed the refugee convention and committed ourselves to upholding human rights tear up the convention, how can we with a straight face ask our neighbours to comply with it? (Time expired)

Mr ANDREWS (Menzies) (15:10): There is one relatively clear question which marks the divide between people in this chamber today. It is this: when we have a choice between a solution which involves the protection, as far as we can achieve it, of human rights and a solution which does not provide protection, as far as we can achieve it, of human rights, what should we do? That is the simple, unadorned question that stands between the two sides of the debate in this place. If the answer to that question was not known before the High Court made its decision about the Malaysian solution, then surely it is known today.

The High Court is the supreme judicial authority in this country, unadorned by the political debate that takes place in this place and elsewhere around the country. The High Court said that protections of human rights should be afforded to people who come to this country in the circumstances which we are discussing today. That, colleagues, is the proposition that stands before this chamber today. If the answer to that question was not known before the High Court made its decision about the Malaysian solution, then surely it is known today.

We debate matters in this place day in and day out—matters of detail about taxation and a myriad things. It is very rare that we have the opportunity in this place to shine a light on the rights of individuals, especially the most unfortunate in the most vulnerable situation. If a law cannot protect the most vulnerable of our fellow human beings, then I say it is quite simply a bad law. We have a choice today of making a better law. Yes, it is a solution being proposed by the member for Lyne and the government. Yes, it is a solution. But we can make a better solution. We can stand up for human rights. We can stand up in difficult circumstances to respect the dignity of human beings in the most vulnerable and unfortunate of situations and say to them, ‘There are 148 places around this world where you can be protected; there are a few in which you can’t; and we are prepared on this occasion, whatever cost may be involved, to say that you deserve that protection.’
Mr ROBB (Goldstein) (15:15): In adding to the sentiments expressed by all of my colleagues here this afternoon on the Migration Legislation Amendment (The Bali Process) Bill 2012 I make the point, which has been made again and again by those opposite as well as on radio and other programs over the last 24 hours at least that Kim Beazley indeed agreed with the coalition 10 years ago. He looked at what was being proposed by the prime minister of the day, and he agreed in the end that it was a way forward. In fact, the reason we are here today debating this issue again is that those opposite dismantled what Kim Beazley agreed to. Kim Beazley agreed 10 years ago, but we are here because the government today dismantled what he agreed to. It dismantled the position that Kim Beazley and those who were here at the time agreed on with the government of the day.

It is instructive to examine whether what Kim Beazley agreed to worked or not, because in the end we are all here looking for an effective solution. Did what Kim Beazley agreed to in 2001 work? I will recap some figures, because I often see commentators in the media saying that there is really no solution to this issue. Back in 2001, 54 boats and 4,137 people arrived. In 2002, 19 boats and 3,039 people arrived. That was when the decision was taken. The next year, 2002-03, saw no boats and no people arrive. In 2003-04 there were three boats and 82 people for the whole year who turned up on our shores. In 2004-05, again there were no boats. In 2005-06 there were eight boats and 61 people. In 2006-07 there were four boats and 133 people. In 2007-08 there were three boats and 25 people. In the space of the six years after this decision was taken, which Kim Beazley quite rightly supported, there were 18 boats in total, and in two of those years there were zero boats.

What have we seen since the decision that Kim Beazley supported was recanted on by those opposite, who dismantled the policy position supported by Kim Beazley and his colleagues at the time? In 2008-09 there were 23 boats, which far exceeds the total of the previous six years, and 1,033 people. In 2009-10 there were 117 boats and 5,600 people. In 2010-11 there were 89 boats and 4,900 people. In 2011-12 there were 106 boats. The evidence is there for all to see. There have been literally hundreds of boats, and it is expected there will have been something in the order of 19,000 people by the end of this year as a consequence of changing the legislation that Kim Beazley and the Labor Party supported 10 years ago. This is a fundamental issue. The policy, before it was dismantled, was effective; it worked.

What we are debating today is the opportunity to return to an effective policy if the Leader of the Opposition is given the opportunity to put that legislation before the House—or we can go to an alternative. What is on the table is really no different from months ago. (Time expired)

Mr ABBOTT (Warringah—Leader of the Opposition) (15:20): This has been a good debate so far on the Migration Legislation Amendment (The Bali Process) Bill 2012, and it has been held in a very good spirit. I congratulate everyone on both sides of the House for the spirit in which this debate has been conducted. The important thing today is to go forward from this House with a bill that will pass the parliament. That is what we want—we want a bill to come out of here that will pass the parliament. The parliament is not just this chamber but also the Senate, and in the Senate the government does not have a majority. So it is very important, if this debate is to bring about progress rather than mere noise, that the bill which comes
out of this chamber has a strong chance of passing the Senate.

That is why the amendment moved by the member for Cook is so important. What that amendment does is ensure that offshore processing takes place in countries which have the human rights protections guaranteed by the UN Convention Relating to the Status of Refugees. That is the key—getting a bill out of this chamber which can go through the parliament and which will allow the government of the day to establish more effective border protection policies. The Prime Minister and the government ought to be very happy with the amendments that have been moved by the member for Cook because the Prime Minister said during the last election campaign:

We want to deal with the countries that are signatory to the refugee convention.

She also said before the last election, during the campaign:

I would rule out anywhere that is not a signatory to the refugee convention.

What this amendment proposes to do is to restore precisely the position the Prime Minister had before the election. That is why this amendment would effectively put in place the bill that I sought to move before question time at two o'clock today. That is why this amendment is the basis on which the whole parliament can unite and our country can go forward. Without this amendment I fear that it will be a very divisive bill, for good reasons.

The Malaysia people swap, which the Oakeshott bill in its present form is designed to facilitate, is the kind of deal that no self-respecting country would make. What self-respecting country engages in a five-for-one people swap? No self-respecting country would so humiliate itself. Further, the Malaysian people swap is limited to just 800 and, given the scale of the numbers, 800 is simply not going to be effective.

Finally, the other fundamental problem with the bill as it currently stands—without the member for Cook's amendment—is that the boats will keep coming because the government has already indicated that women and children will not be sent to Malaysia. Frankly, how could they send women and children to Malaysia given the fact that human rights protections in Malaysia cannot be guaranteed?

Without the member for Cook's amendments, there is very little hope of any progress in this chamber or any progress in this parliament at this time. I say: let us not just have a debate today, let us have a solution today. The best way to get a solution out of this parliament today is to support the member for Cook's amendments. That would produce a bill that this parliament can truly unite around and that this country can be truly proud of. Without the member for Cook's amendments we may possibly get a bill through this chamber but that is as far as it will go. We will not have made any progress on stopping the boats, which has to be the fundamental objective of every member of this House.

Mr MORRISON (Cook) (15:25): Thank you for the opportunity to speak again on this matter. There are other members who wish to contribute to this important debate who will continue it. I concur with the Leader of the Opposition's description of the debate we are having because this is the debate we have been having now for some time, outside and inside this place. There will soon be an opportunity to resolve these matters, I trust, but I would add a couple of things to those that have already been said.

The minister made reference to a series of policies of the coalition. In particular, he referred to the issue of Indonesia. There is no
doubt that Indonesia is a critical partner, as are the countries throughout our region, in addressing these horrible activities. The coalition stands strongly by regional measures to address this issue—of course we do, Prime Minister, through you, Madam Deputy Speaker Burke. Of course we support regional measures. We had regional measures in place when we were in government and those regional measures—most specifically, the Bali process of which the member for Lyne reminds us in this bill—had countries working together to address this problem.

The focus of the Bali process, when it was established, was border protection initiatives and matters of cooperation in policing activities, intelligence, interception and matters of that nature. They are things that I know the government supports. This is an area where there is very strong agreement when it comes to interception, interdiction, cooperation at sea and things of that nature. I note the Minister for Home Affairs is in the middle of handling another crisis of this kind—and our thoughts are with him as he does so. The process of preventing boats leaving Indonesia means that people remain in Indonesia. Our policy of seeking to intercept boats and return people to Indonesia is the same as stopping people from leaving Indonesia. We believe the best thing you can do in this area is make sure that no-one ever has a reason to get on a plane and fly to Indonesia or Malaysia in the first place. The next best thing is to make sure they never leave Indonesia in a boat. Last Sunday, if that boat had not left those shores, that tragedy would not have happened. We all understand that.

It is important that those who might think that by getting on a vessel they will find themselves getting to Australia need to know that that is not an outcome they can be certain of, and it should not be that the most horrific and tragic reasons are the reasons they come to that view. We have put forward measures that seek to address these matters that are happening at sea. We have long stood for them. The member for Berowra spoke earlier in this debate. He knows better than anyone in this place the moral burden that is carried by a minister. I am sure that the Minister for Immigration and Citizenship is equally aware of it. The member for Wentworth reflected on this, and I am sure it is true that the Minister for Immigration and Citizenship and I do not go one day where we do not examine our consciences on this issue. You cannot but do that in a debate where there is a moral consequence and burden carried by every single decision made, either to strengthen borders or weaken them.

I think we all want to strengthen those borders, and there is an opportunity in this parliament today to pass an amendment that will enable, with the government's support, this bill—the bill put forward by the member for Lyne—to pass. There is an opportunity for the member for Lyne to support this amendment today that will see the bill that he has brought into this place supported by members of this House and, with the government's support, supported by those in the other place. We can leave this place this night with a piece of law that strengthens the government's arm against the evil of people smuggling. That is what is on the table today, and I would implore those opposite to support these amendments. I would implore those who have wrestled with their consciences on that side of the House over the Malaysian people-swap who are fully aware of the consequences for those who will find themselves transferred to Malaysia, and I implore you: provide them with the legally binding protections that the refugee convention provides, and please support the amendments.
Mr HUNT (Flinders) (15:30): Everyone in this House believes that we should conduct ourselves in a way which will achieve two outcomes: firstly, that we save lives at sea; and, secondly, that we offer safe haven and adequate human rights protection to those who have sought comfort in Australia. These are the two tests by which we should consider this: do we save lives, and do we offer safe haven with adequate human rights protections?

There are three difficult choices we have to consider. The first has been onshore processing. The history is well known—that, when that option was taken away by the previous government, the numbers coming on boats, and therefore drowning, plummeted. We also know that when that option was reintroduced—for the best of purposes, from the best of intent, with the best of will, to ensure safe haven—we saw a 100-fold increase in the numbers of people coming to Australia. The consequence of that is the reason we are here today. Everybody knows that the consequence has been almost 20,000 arrivals and at least 500 lost at sea and, fearfully, potentially many more. So that option clearly and utterly and absolutely fails the test of saving lives at sea.

The second option which the government has proposed is Malaysia. Again, let us take it as in good faith and a genuine attempt. But it has a significant, fundamental failure. Not only does the bill that the government seeks to pass through the agency of the member for Lyne remove all human rights protections—let us understand that we are being asked to pass a bill that removes all human rights protections—but the reality of what is being considered as a destination in the camps of Malaysia is not adequate in its human rights protection. I have great respect for Malaysia, but the reality of what is being proposed is not adequate. How do we know this? We know this because the government has said it will not send unaccompanied minors to Malaysia.

Let us understand this. The government does not believe Malaysia is a fit and proper place, in terms of the current protections provided, to send unaccompanied minors. And that means that the government, in its heart of hearts, knows that the safeguards, the protections, the human rights conditions, are not adequate. And what is the consequence of not sending unaccompanied minors? There is a terrible perverse effect—that young people will then be put on boats and the trade will continue. The young people will be the lures to be sent to Australia so that family reunion can be commenced. This recognition of the human rights flaws in the Malaysia proposal leads, however, to an absolutely fatal flaw in the government's approach, and that is: it is a lure for the most insidious of all of the people smugglers to put young people on boats to send them to Australia. The trade continues. The human rights inadequacies are recognised by this decision of the government alone and, as a consequence, nothing will be solved. We will be offering neither safe passage nor safe haven. These two tests are failed on both counts in relation to the Malaysian solution.

That is why—knowing that this bill, with all the goodwill in the world, fails the two most fundamental tests you could possibly put for any legislation—we have offered amendments. Those amendments are very simple. They guarantee the human rights protections by reinstating and ensuring that a refugee convention nation is the benchmark—the test, respectfully, Prime Minister, which you set prior to the last election—and, as a consequence of that, we can ensure in the real world that either Nauru or Manus is operated under Australian circumstances, with Australian cooperation, with Australian standards, and human rights
conditions can be protected and we can put in place again a lasting and enduring solution which will ensure that we no longer have safe passage issues and we also have— (Time expired)

Mr HUSIC (Chifley—Government Whip) (15:35): I speak not only to members here but also to those beyond these walls. I put to them an important point. The reason I do it is because we all need to walk together on this issue, because all of us need to accept, in some way, shape or form, that there is a responsibility to act in the interests of more than just the people we see before us—to act also in the interests of those who are taken by the sea in making a desperate journey.

The point I seek to make is this: at any given point, there will be those in this place who will say there are between 20 million and 40 million people seeking refuge, right here, right now. And we proudly accept between 8,000 and 10,000 a year. We can lift that level. We can try and make a dent in that figure, but we will not go far. And at some point there will be those who seek refuge, knowing that they cannot get in here because we have reached the quota, in any given year, and will chance their arm. So the question before us is: do we allow people to make that dangerous two-day journey across these seas? We need to bear in mind, and I think it is worth reinforcing, that those people who seek to profit on the desperation of others do not provide free berths; they do not give someone a free ride. The people who get here have had to pay and pay dearly and then potentially also pay dearly with their own lives.

I have said elsewhere this is a debate about the unseen. As has been remarked previously, for every 100 people who make that risky journey there will be four who disappear. Nowhere in this country would we abide a situation where 100 people would be there, day in and day out, and four may just die—say, in a place of employment through the course of their employ. If they are on our shores, before our eyes, we do not accept that as a principle, yet we accept that the ocean can swallow up others seeking refuge. I served on the Joint Select Committee on the Christmas Island Tragedy along with the member for Stirling, the member for Wakefield, the member for Moreton and others, and that transformed my view on this permanently and said to me that we need to do what we can in terms of safety to prevent that journey.

There are those opposite who have sought to point out that many of us have reversed our position and have been prepared to embrace their strongly-held view of the world. And this is in a place where we are punished for reversing positions, where we are not given latitude to change our minds. We have done this with one pre-eminent objective: to save lives. I would change my mind if I knew that it would give comfort to those people and that they would not have to go through their last moments choking on their last breath because they saw people fighting on the shoreline. I would do that and I would change my mind—even though I believe that Nauru is effectively the Christmas Island of the Pacific and that all we would do by shifting people to Nauru is to have the same situation as we have currently on Christmas Island. But we are asked to not behave in a way that is accepted as the standard in this place, to just engage in bickering. We are asked to find a solution, again, to save lives.

In all conscience, I cannot accept and abide a proposition that says, 'We'll just go on with onshore processing, because onshore processing, as we have seen and those in the community have seen, is a failure. We
cannot have people just come here and make that trip and risk their arm.

I also make this point to those in the Greens: there have been other big decisions in this place where people before us have taken this decisions, and you have sided with people you would not necessarily side with because you believe the option on the table is not pure. We paid a price for that then and we would pay a price now if they were not to think differently. (Time expired)

Mrs MIRABELLA (Indi) (15:40): We have heard much about members' concerns about saving lives. Yes, of course it is a priority and that is of course what Australians around the country are wanting us to do: prevent the tragic loss of life. The reality is that, in order to stop the tragic loss of life and people drowning on the seas, there needs to be a policy that actually works. There needs to be a policy that is actually a deterrent to people smugglers. There needs to be a policy that takes away a product that is attractive for people smugglers to sell. There needs to be a policy that says that having an answer for 800 people is not a policy. The number of arrivals in the last few months makes a total mockery of this policy. If the government is fair dinkum about wanting to stop the trade of people smugglers, what is their solution? What is the answer after the 800 quota is filled?

I am sure members on the other side are genuine when they say they believe that they espouse the progressive tradition of Australian politics. And where are some of those progressive politicians on the other side who have spoken against sending asylum seekers to nations that are not signatory to the refugee convention? They have been vocal and they have been out there; Madam Deputy Speaker Burke, you are one who has expressed concerns on a number of occasions, and I commend you for doing so. There is not enough of that in this place. There is not enough of members being able to speak their mind and saying what they really think. We have had the member for Fremantle also express her concern about the so-called Malaysia solution.

What have we got here? We have got a bill that deliberately removes the protections in the existing legislation. We also have a prime minister who has said, 'I would rule out anywhere that is not a signatory to the refugee convention. We want to deal with countries who are signatory to the refugee convention.' So what has changed? We are trying to assist the Prime Minister and facilitate her in keeping this commitment, at least, to rule out countries that are not signatories to the refugee convention. These amendments moved by the member for Cook have been not only well drafted but also thought through. They are a solution to appease different views about how to deal with the growing problem, as it has become under this particular government, of an increasing number of asylum seekers. What do the Australian people want? They want a government that is able to control the country's borders. They want a government that can stand up and say: 'We are a national government. We are responsible enough, we are smart enough, we are flexible enough and we are not too proud to adopt practical policies that work.' It is time to put politics and ideology aside and to adopt practical solutions. You, the government, are responsible for finding a solution. If that means, as the previous speaker was saying, that at times it is important to admit that you are wrong, then so be it. The Australian people are sick to death of feeling powerless in a country where they think that the government has lost all control and become an absolute sideshow and circus. This feeling is exacerbated when we see tragedies on the
high seas. The Australian people want an end to this disaster. They want an end to the mismanagement that has seen asylum seeker management go from $85 million to $1.2 billion. They are demanding a grown-up government that is flexible enough— *(Time expired)*

**Mr BILLSON** (Dunkley) (15:46): I encourage all members in the House to support the very thoughtful, sensible and honourable amendments that the member for Cook has brought to this legislation. We have not had the opportunity to discuss the opposition's amendments; we are faced with the bill of the member for Lyne which in large part reflects the government's earlier legislative proposal. We are seeking to include in it amendments which are really quite straightforward. They say that, if unlawful arrivals who end up in our care are to be placed somewhere else for processing or somewhere else while their claims are assessed, they should be able to have the protections that would have been afforded to them had they been in Australia's immediate care. The amendments embody a simple idea of a continuum of care. It is a simple idea which, the High Court found, the government's so-called Malaysian solution did not meet. The High Court said basically that Australia signed up to these responsibilities and that, if we choose to transfer people offshore for processing, we do not all of a sudden pass over any need to maintain those responsibilities.

What the member for Cook's amendments are about—and I was quite interested to hear from the member for Chifley on the unseen—is to make sure that in relation to the unseen, which in this case is people who have arrived unlawfully being processed offshore away from our sight and away from our immediate control, we uphold the responsibilities and the protections which we would have to uphold if they remained in our immediate and direct care. I would much rather be debating the full package needed to stop the tragedies.

I pay my enduring respects to and would like to lessen the work of the men and women of the ADF who have been deployed on Operation Reflex and to those customs officials and courageous Federal Police and other government officials who have to arrive at the site of tragedy to do work which—we can only imagine—is as challenging to the body and the soul and as soul-destroying as you could possibly think. The best way to lessen their work is to stop the boats. A discussion around what is needed to stop the boats would be an extraordinarily good use of this parliament's time. It would pay respect to the member for Berowra. I admire his courage, his wisdom and his compassion in putting together policies which did just that.

As I said, the member for Chifley's made some remarks about the unseen. The package that the member for Berowra oversaw implemented by the Howard government effectively brought the boat movements into our country to a trickle. When the Howard government left office there were four—just four—people in immigration detention as a result of their having arrived unlawfully on a boat. We had stopped the boats because we had stopped the need for that tragic journey. I think it is important for everybody to realise why people take these risks, why stopping the boats is important and why we need to take away the incentive for people seeking asylum to embark on this dangerous journey which places them at risk. We need to take that incentive away not just because of the tragedy that we would hope would be avoided but also to deal with the unseen. I remember defending the Howard government's position and I said, 'I speak for those asylum seekers who do not have the resources, the wealth or the freedom to leave
where they are to transit through regions in our vicinity in order to get into a position to pay a people smuggler to get on a boat to get to our country.’ Those people are the unseen. The disincentive they face by not having those resources and those comparative freedoms to embark on this incredibly dangerous journey deserves a conversation as well as those who are able to arrive with a tailwind for their processing and a tailwind for their prospects to gain a place in the big-hearted program of Australia which sees us settle and proactively support 13,000 humanitarian visa recipients. If you are not able to get that tailwind, and you face a headwind because you do not have the resources to make the journey, that is itself a tragedy.

We should be stopping the boats. We should be focusing on the unseen, not just those who make this horrendous boat journey but also those who never have the option to do so. But above all we should make sure that where we pass those in our care to others to look after we do not turn our back on our responsibilities. (Time expired)

Mr GEORGANAS (Hindmarsh) (15:51): I commend all the speakers who have made contributions to this debate—a debate which is extremely serious. When I look at this debate, I look at my own position 12 months ago and what my views were 12 months ago and where they are today. Mr Acting Deputy Speaker, you might ask what has changed those views. In the last 12 months we have seen the tragic disaster of Christmas Island a few months ago. We saw the tragic scenes on our TVs this weekend of young men who had found themselves in a boat that had capsized and who had lost their lives. At first we did not know how many had survived, and the majority we believe have not been found. As for the few people who did make it and who we did see on TV, I looked at their faces. Being a father of two young men myself, I think this is a tragedy which we have to do whatever it takes to stop. I think what we have here before us today in this chamber, a bill by the member for Lyne, is a first step. To sit here as members of parliament, as we do every day when question time is on and when we are debating bills, and to do nothing about this subject is absolutely wrong.

I think each and every one of us has a duty to do whatever it takes. We have the utmost duty as elected members and representatives of our communities to ensure that we do not see the tragic scenes which we saw on our TVs over the weekend, which we saw on Christmas Island a few months ago and which we saw again today—the tragedy and the rescue operations that are taking place at this very moment.

To sit back and argue over whose policy is better, and at the same time ensure that nothing is done about it, is wrong. We have certain policies on the table which have been put there today and to which we should at least give a go. We have a duty to give them a go and to ensure that we are doing whatever we can to prevent further drownings.

I know that everyone in this House was moved when they saw those scenes. We heard earlier the member for Stirling talk about his firsthand experience. Many other members in this House have been moved as well; they have heard discussions in committees and heard firsthand of the tragedies.

This morning, more than 40 members of this parliament met. We met not as politicians but as people. We had a consensus in that room; we wanted to see this issue move forward. We wanted to see the deadlock broken. If nothing else, we are discussing it here today. But to discuss it is not enough; we need a solution at the end of
all of this. I urge all members to give the member for Lyne's bill a go and to support it, because by supporting it we are implementing something that will be a deterrent for people smugglers. It will also ensure that we are doing something. To sit here in our positions on both sides of this House and not move is, as I said, wrong.

As I speak right now, there are rescue operations continuing on Christmas Island. I urge everyone in this parliament to think about the people who are being pulled from the sea right at this moment while we are here. They are afraid, injured and desperate, and that is who we are here for today. These people are human beings. These are people like our children, our brothers or our sisters.

I think it is time for both sides of parliament to stop playing politics and to ensure that we get a bill through which will prevent more tragedies taking place. We have an utmost duty as elected members.

The issue of refugees is overwhelming the world at the moment. As long as there are disasters, wars and hunger, there will be refugees. I think the best way to deal with this issue is through a regional solution in our area, and I think that this bill has all the marks of a regional solution. (Time expired)

Ms JULIE BISHOP (Curtin—Deputy Leader of the Opposition) (15:56): On 30 September 2010, the then Attorney-General, the member for Barton, in a second reading speech on the human rights bill, was talking about the need to have greater understanding in Australia of human rights in Australia. He was talking about the respect that we must have in Australia for human rights for Australian citizens. He also talked about the recognition of human rights issues in legislative and policy development. On this government's attitude to human rights for Australian citizens, he said:

The government believes that Australia can, and should, live up to its obligations under these important treaties, not simply because this is the right thing to do but because the principles that are contained in those documents provide a protection against unwarranted, unjustified or arbitrary interference in the fundamental rights enjoyed by all individuals irrespective of their colour, background or social status.

He was talking about what we expect for Australian citizens. Yet this amendment moved by the member for Lyne, which would include the government's ability to implement the Malaysia solution, walks away from Australia's obligations under the United Nations Convention Relating to the Status of Refugees. This parliament is being asked to walk away from the very human rights protections that the member for Barton so eloquently applied to Australian citizens.

I remind members opposite that the High Court found that the so-called Malaysia solution was illegal because the human rights protections which are guaranteed under the UN convention, or the guarantees that were contained in the paragraphs that were inserted by the coalition government into the Migration Act, could not be guaranteed. There is no getting around that finding by the High Court. Yet we are being asked to walk away from our obligations as a party to the convention.

There is one amendment before this parliament which enshrines the protections and the human rights obligations that we as a party to the refugee convention owe to people who come into our care and for whom we therefore have a responsibility, and that is the amendment of the member for Cook. A bill containing his amendment is that only bill that can pass this parliament. It is the only bill that can get through the House and the Senate. We can leave here, and on our side we will have compromised. The word compromise has received so much
focus in recent days. We have compromised, for we will support the government's bill with our amendment. We cannot compromise on the issue of human rights, and no one in this parliament should be compromising on the issue of human rights and walking away from the UN convention on refugees. We cannot compromise on this issue, and no one should ask us to do so. We should not compromise on human rights, and on this side we will not.

If the government votes against the member for Cook's amendment, it will have refused to compromise. There will be no solution and the government members will, quite unbelievably, have walked away from the UN convention on refugees. I cannot believe that members opposite will do that. Australia became a party to the convention on refugees in 1954. The convention came into being in 1951, and just a couple of years later Australia embraced the UN convention on refugees.

We embraced in 1973 the protocol of 1967. For 58 years we have upheld the values and the principles that are inherent in that convention. As the member for Barton said 'the principles that are contained in these sorts of documents', he was not referring to the convention on refugees but to the human rights conventions under the United Nations, which provided 'protection against unwarranted, unjustified or arbitrary interference in the fundamental rights enjoyed by all individuals'. We say that this includes the individuals who as asylum seekers come under our care and responsibility.

The Prime Minister knows that the implementation is important because, deep in her heart, she knew that the UN convention on refugees was important when she announced the East Timor solution and when she announced— *(Time expired)*

Mr STEPHEN JONES (Throsby) (16:01): I earlier observed in this House that I am the great-grandson of a boat person. He was an illegal immigrant who jumped ship in Albany in the late 1890s. Then, as now, the issue of immigration was a very vexed one in the then colonial parliaments of this country. Then, as now, there were great debates about how we manage the issue. It was in the midst of this same vexed debate that a group of backbenchers met in Parliament House this morning to discuss how we could move beyond the impasse that we currently find ourselves in. I participated in that meeting. I welcome the attendance of members from all sides of this House.

At the same time as we were meeting, another boat capsized off Christmas Island. Nothing could symbolise the potential impotence of this parliament more than that we could be having that meeting at that time with that event in progress and then move on to do nothing about it. Nothing could symbolise our authority more than if we took this opportunity to put the common good first. That is what the legislation introduced by the member for Lyne does—it puts the common good first.

I have had my own personal journey on this debate. There have been many times, both publicly and inside Labor Party forums, when I have expressed great concern about the issue of offshore processing. But nothing moves a person further in this debate than the sight of bodies floating in the ocean, as we saw late last year off Christmas Island. We saw this repeated late last week and have seen it on our TV screens ever since. I still believe that our priority, as a wealthy country in this region, should be to maximise the number of people whom we are able to lift out of misery. But I believe we need to do it in an orderly way which enables us to control our refugee program. I do not believe, as some in this place believe, that
simply increasing the number of people we include in our refugee intake is going to stop people attempting to chance their arm, as the member for Chifley said in his earlier contribution to this debate. I do not believe that this will occur.

I do not believe that this will occur because, in my personal journey, I have come to realise that there are pull factors. It does not take a lot of thinking. This is a wonderful and fantastic country, so is it any wonder that people would attempt to chance their arm—to come here, particularly when they are fleeing persecution in their own countries? There are pull factors. We must acknowledge that as a party and as a country, and we have done that. The legislation before the House today, as many contributors to this debate have said, balances all the relevant considerations and ensures that we have some control over the way we take refugees into this country.

Much has been said in the recent debate about the involvement of the UNHCR. To those opposite who have championed the right and the importance of the UNHCR as a prerequisite for their involvement in offshore processing, I say frankly that it is a recent affection. We all know that Nauru, the centrepiece of their refugee policy prior to 2007, was not a signatory to the UNHCR convention. So for them to stand up here, speaker after speaker, and say that this is the cornerstone, the entry point, for us to be able to vote for this legislation beggars belief.

To say that the absence of the UNHCR convention in Malaysia is somehow an absence of compassion on our side of the debate beggars belief when you have heard speaker after speaker on that side of the House say that a cornerstone of their policy is to turn the boats around. The place they are proposing to turn the boats around to is Indonesia which, as we all know, is not a signatory to the UNHCR convention.

There is a lot of doubletalk on that side of the House. We have an opportunity to do the right thing. I call on all right-thinking members of the House to do the right thing and support the legislation that is proposed by the member for Lyne. I believe it should enjoy the support of all right-thinking members in this place.

Mr BALDWIN (Paterson) (16:06): One thing that this House must remember is that there are serious criminal actions here at play: the people smugglers, who deal in the worst kind of trade. Since 2007 there have been 336 boats arrive—19,427 people, and I do not think anyone can count the number of people who did not make it to our shores, who drowned or perished or whatever.

I have met with many of the fine young men and women who have manned our ships and gone out on missions to detain and rescue and, sadly, to recover bodies. The stress that they go through, even though they keep a very brave face, is immense.

It is often said that leadership takes courage, but it also requires consistency in approach. The amendments that the coalition are putting up to support our three-plank policy—observing UN conventions and signatories to UN conventions as offshore processing centres, the TPVs and turning the boats around where practical—are a consistent approach. We have been consistent on that since day one.

The former speaker said that we had had this recent sign-up to the conventions of the United Nations. I have to say that what we have seen here on the other side is the abandonment of principles supporting the United Nations. I have a reasonably long memory. I sat in this House during the debates on *Tampa* and the associated bills. Members opposite—whether it was the
member for Lyons, the member for Jagajaga, the member for Melbourne Ports or the member for Reid—all stood up, the Left wing, and condemned the Howard government; number one for offshore processing and number two for not observing the principles and rights expressed under the United Nations human rights convention.

We are not asking the Prime Minister to be inconsistent with her approach or commitments that she has given. In fact as the Leader of the Opposition said, when the Prime Minister was on the Howard Sattler program on 6PR just days before the election she said, 'I would rule out anywhere that is not a signatory to the refugee convention'. Now, we ask her not to rule it out—we do not ask her to change her view, we ask her to remain consistent to her view. Since 26 September Nauru is a signatory to the convention; Malaysia is not. The High Court in its determination has already expressed all of its reservations and concerns about the treatment of people that would be there, because there is no protection afforded under the United Nations Human Rights Convention.

There are a number of speakers from the other side who have expressed concerns: the member for Chisholm and the member for Fremantle amongst others. We ask them to observe what their core faith is. If their core faith, and I have heard it expressed over the years, is to support aspects of the United Nations, and in particular the human rights convention on refugees then they should adopt the coalition's amendment to this bill.

I just fear that we are going to go through a process here where there will be no change. I fear that the boats will keep coming, I fear that there will be more losses and I fear that people will suffer unnecessarily. We are not actually asking the government to change dramatically what its position was way back from the time of Tampa. We are saying, 'Come a little way; put back into place the policies and principles that stopped the boats'. We are saying to them, 'Observe that your adherence to the United Nations human rights convention is perhaps one of the best principles to apply'.

So stick to your guns, Prime Minister, and stand by your quote to Howard Sattler on 6PR, where days before the election you said you would not entertain sending anyone to a country which is not a signatory to the United Nations human rights convention. To do otherwise would just give further evidence to your statements on the carbon tax, where you made one statement before an election then did another thing. You made a statement about sending people to countries that were not signatories; we do not want you to change that now.

Mr DANBY (Melbourne Ports) (16:11): Three years ago my joint migration committee unanimously advised the then government on fair conditions for the treatment of asylum seekers. We had unanimous coalition support for the fair treatment of asylum seekers and for some of the centres in which they were incarcerated. I was, and the committee was, wrong not to include offshore processing in our conclusions.

The drowning at sea of these poor people, abused by their people smuggler exploiters and by the xenophobes of talk radio has made me think again. Enough is enough! Unlike the ideologues of the Right or the Left, I believe that the majority of this parliament must face the practical situation in which we now find ourselves. We must adjust our policies to deal with these realities. We cannot stick with the blinkered policies of the past.

Mr Schultz: The Left are always right, aren't they?
Mr DANBY: If you noticed, member for Hume, I began with a mea culpa, where I said that I cannot stick with my own blinkered policies of the past.

In the last 10 years in the Senate, between 2002 and 2012, when it came to matters of national interest Labor voted 154 times with the coalition. We ask the coalition to do this once in this House in the national interest and to help prevent the further drownings of these poor people by adopting the member for Lyne's legislation. My activities in the last days, as those of many other members, have been prompted not only by my own conscience but by the courageous stand of the member for Moore, a decent man, whose ethical stance has sparked our consciences.

The member for Wentworth and others have talked about balance, and he has made some sincere references to the UNHCR and to Malaysia. Of course, he in the past, unlike so many on the other side, has made clear stances for human rights in Malaysia and has adopted the UNHCR. In research that I did for previous speeches on this topic I noticed that apart from Senator Brandis and the members for Flinders and Wentworth almost no-one on the other side had ever quoted the UNHCR conventions on refugees prior to this debate. But they use UNHCR and the Refugee Convention now in this debate as a cloak for not taking any action, because it is a policy suggested by the government.

Of course, there are UN conventions adopted by Cuba, Russia, Syria and even China, that are never obeyed or supported by those countries and never implemented. UN conventions may be good, but they are not perfect. What has the government done with Malaysia that should make people who are sincere supporters of human rights think that we should support this resolution of the member for Lyne that includes both suggestions of the coalition on Nauru and our suggestions on Malaysia? The minister has undertaken with the Malaysian government the right of these people to legal status, their right to employment, their right to education and their right to work. These are conditions not granted to refugees in Malaysia prior to the minister's deliberations and negotiations. They are not abandoning human rights, and any of you who want to stick with Cuba and Syria over UN human rights conventions and say that these conventions are not good enough are in the wrong camp as far as human rights are concerned.

This is a regional solution, unlike the ideological purity of the member for Melbourne, and I am very proud to support it. I conclude by quoting a strong critic of this government, the Australian's foreign editor, Greg Sheridan, in an article criticising the Leader of the Opposition's stance on this Malaysia option, which—he is right—is part of the suggestion by the member for Lyne in his support for the Bali declaration and his suggested legislation. The foreign editor of the Australian said that the Leader of the Opposition:

… is in danger of performing a too-clever-by-half political judo trick on himself, making sure that if he does become prime minister he will not have the legislative and administrative tools to fulfil his pledge to "stop the boats".

It is not good enough for Abbott to enjoy the government's pain.

This is a terrible mistake he is making in disarming the nation—he is talking about Australia—and potentially any future government he runs—in this critical policy area.

The member for Lyne has advanced a practical solution which is a compromise. Enough is enough. We practical people—and there are many decent people on the coalition side of politics—have to come to the
realisation that we must combine both policies of both parties. *(Time expired)*

**Ms LEY** (Farrer) (16:16): The government has announced that it will support the member for Lyne's bill, and the coalition will also support the member for Lyne's bill, with one important amendment: that the offshore processing country which is designated by the responsible minister be a signatory to the refugee convention. The coalition does not support the Malaysian solution. While there is much to admire about Malaysia, for it to be at the centre of this government's border protection policy would be a mistake. The Malaysian solution involves a trade and exchange in human beings with a country that has not ratified the UN refugee convention and associated protocols. By contrast, Nauru is a workable option and has consistently been our policy.

We have devoted enormous resources to the interdiction and rescue of boats. We are asking our Navy and Customs personnel to pull bodies out of the water. We are putting immense pressure on the Navy and Customs to be on constant standby and constant alert and in a state of continual readiness. While we would always willingly commit to the safety of life at sea, the current state of affairs is just not sustainable. It is the job of every MP to debate this legislation and to examine their conscience. That is a good thing, but in the process of that debate is it not also our responsibility to make sure that we come up with the very best policy instrument to stop the boats, stop the drownings and stop the pain? That is why I speak in support of the amendment to the member for Lyne's bill moved by the opposition spokesperson, the member for Cook.

While there is no hierarchy of need when it comes to claims to refugee status, and it is not the right of anyone in this place to say that one person is more deserving than another, we must observe the reality of all those individuals and families who wait patiently in refugee camps around the world for their chance to come to Australia, New Zealand, Canada or the US. My view is that temporary protection visas need to be part of any solution. I met many people in my electorate over the years of the Howard government who were here on temporary protection visas. In fact, the first TPVs were to the Kosovars—from Kosovo—who came to my home town of Albury-Wodonga. I met Hazaras from Afghanistan. Their circumstances were difficult. Many of them felt in a no-man's-land, cut off from their homeland far away, separated from family and uncertain of their future or when the Australian government might indicate that it was safe to go home. Some of them were sent home. Some of them stayed. They were tough times for those of us who represented those families and communities. They made connections with the small rural towns in which they lived, and representations were constantly being made on their behalf for special consideration. Those of us who supported the Howard government's approach were on the receiving end of some pretty poisonous invective, but if I compare the situation then with the situation now I would much prefer, from a humanitarian perspective, those days to these days. Since this Prime Minister took office, 196 boats and 12,877 people have arrived, and countless others have been lost at sea along the way.

Much is made of the way that things ought to work—push factors, pull factors, the UNHCR and so on. Yes, it would be so much better if the world acted together and took an approach to the worldwide flows of refugees that embedded the principles of humanitarianism, secure borders and generosity. Yes, we are a generous country.
But Australia can only do what we can do in terms of the legislation we enact in this place. The coalition has been consistent. What the coalition promises and proposes today by way of our reasonable amendment to the member for Lyne's reasonable bill is actually the best way forward, and I urge members to consider it seriously.

Mr CREAN (Hotham—Minister for Regional Australia, Regional Development and Local Government and Minister for the Arts) (16:21): I rise in this debate to support the Oakeshott bill and argue against the amendments. I do so as minister for territories. Having visited Christmas Island, I know the impact that the tragedy that was so movingly spoken to by the member for Stirling earlier today has affected that community. There is a need for us to understand their circumstances but most of all to understand that the tragedy of the circumstances that have happened over the last week requires this parliament to take action. It requires this parliament to understand the importance of getting a bipartisan solution on this, because that is the only way this will go through this parliament. Let me go to the amendment first. The requirement for the coalition that the country receiving be a signatory to the convention has never been a consistent view of the Liberal Party—never. It was not a requirement when, as part of the Pacific Solution, Nauru was used by the Howard government. I remember, as leader of the Labor Party when we hosted CHOGM in this country, I urged to the Prime Minister of the day to be arguing signatories at the CHOGM meeting, because many of the countries in the pipeline of the refugee movement were in fact Commonwealth countries. I argued to the Prime Minister that he should take this issue to CHOGM to try to underpin a regional solution based around the convention. He rejected it. He said it was not necessary.

As the argument that signatories to the treaty somehow guarantees human rights, I think the member for Melbourne Ports made this point before: it does not. Some of the signatories to the refugee treaty are Afghanistan, Bolivia, Botswana, Colombia, Mozambique, Serbia, Somalia and Uganda. Does anyone seriously over there suggest that these people sent to those countries would have their human rights protected?

We do hold strongly to the position of the importance of the human rights issue, and that is why in terms of the Malaysia solution, even though it was a country that was not signatory to the treaty, we bent over backwards to get treaty-like recognition—not signatories to the treaty but nevertheless the guarantee. This is what the UNHCR had to say about the solution:

The Arrangement and its implementing guidelines contain important protection safeguards, including respect for the principle of non-refoulement; the right to asylum; the principle of family unity and best interests of the child; humane reception conditions including protection against arbitrary detention; lawful status to remain in Malaysia until a durable solution is found; ...

The critical test of this Arrangement will now be in its implementation ...

In other words, the UNHCR was saying to this parliament, 'We are prepared to give it a go.' The problem with this parliament is that those who sit opposite are not prepared to give it a go. The very thing they say their amendment will protect, on all the evidence, is not consistent with anything the Liberal Party has ever stood for on this issue, it does not guarantee it even if it does happen, and we have bent over backwards in terms of the Malaysian solution to ensure that those human rights issues are indeed protected.
I also want to take issue with the members for Berowra and Goldstein in terms of our position in the Tampa circumstance. It was not true that we insisted just on the human rights dimension before we agreed to the amendment. In fact, the Leader of the Opposition, Kim Beazley, came into this parliament at question time that day and said, 'We support the government's action,' in terms of the military having been sent in. The problem is that that action was not legal. The problem was that the government of the day had to legislate to make it legal and in going to the exercise of making it legal they were prepared to obliterate much of Australian protection. For example, a provision in the early bill was that the law overrides all other laws in operation in the Commonwealth. It excluded the operation of the legislation from the jurisdiction of the High Court. That is what we objected to, and that is why you had to bring in a second bill, which we supported. But that in no way introduced the Pacific Solution. It was to cover your rush to action, it was the illegal circumstances of it and the Pacific Solution, as you know, we had many disagreements with. (Time expired)

Mr ROBERT (Fadden) (16:26): I rise to support the amendment lodged by my friend and colleague the member for Cook.

But firstly let me thank the Prime Minister for updating the House on the military involvement in the high seas to the north of Australia. Let me thank HMAS Maitland and her ships company of 21 for the work they are doing right now in terms of rescue and assistance. Her motto is 'Invincible' and I am sure the ship and her company are living up to that. I am not to sure if the P-3 C has returned to base, but let me also thank the pilots and crew for that. I ask the Minister for Defence if he could pass on the thanks I think of the whole House for the work that our military are doing in incredibly difficult circumstances in the north of our country.

Can I say I find myself in agreement with the Minister for Defence Materiel this afternoon when he said that in 2001 both sides joined together under difficult circumstances to put together tough but humane measures. He is right. Both sides did join together. Both sides did come together and vote on a raft and suite of measures that worked. There is no question they worked. In the last six years of the Howard government only about three boats a year were arriving. In fact, in last weekend only a few weekends ago more boats and more people seeking asylum arrived in that one long weekend than in the last six years of the Howard government.

When the Howard government lost office there were four people in detention—just four. It was the raft of measures, as the Minister for Defence Materiel quite rightly pointed out—a raft of measures—that worked. Since November 2007 when the current government came to power what we have seen is over 336 boats come and almost 20,000 irregular maritime arrivals. I sat here for years and years listening to the government substantiate and justify the dismantling of that raft of measures, justifying the fact that it was not pull factors that were bringing to our shores in leaky, rickety boats; it was push factors. For years and years that spin continued that it was push factors.

I think today it is all laid bare, as it has been for a while. The member for Throsby made the point himself, to his credit, that there are substantial pull factors at work. It is pull factors that have drawn people to our shores. It is the government's dismantling of that raft of measures that have pulled people to our shores. Since Prime Minister Gillard came to office on 24 June, there have been
196 boats and 12,877 people have risked their lives coming here. Since the Malaysian solution was signed, 101 boats and 7,519 souls have made the journey to come here—over 1,000 month. The 800 subscribed to in that deal has been overwhelmed at a rate of 800 per 2½ weeks. The Minister for Defence Materiel made it clear in previous addresses to the House that four per cent of people are tragically losing their lives in that dangerous crossing across our northern shores, with 20,000 people having made the journey since this government came to power. That is upwards of 800 souls lost in terrifying circumstances. It does not have to be this way.

I support the amendment of the member for Cook. I support it because I simply cannot in good conscience subscribe to the idea of and vote for sending people to a country where there are no protections. The amendment is a sound. When the previous government used Nauru for offshore processing, those protections were enshrined in law. Taking those protections out of Australian law means that only a subscription to the UN resolution and the 1951 agreement will provide the necessary protections. So I agree with the Prime Minister's statement that she made on radio on 6PR with Howard Sattler prior to the last election. I agree with the Prime Minister's statement wholeheartedly. She said, 'I will not be sending people to countries that haven't signed the UN Convention.' I agree with her, and the parliament today should agree with her.

Mr SNOWDON (Lingiari—Minister for Veterans' Affairs, Minister for Defence Science and Personnel, Minister for Indigenous Health and Minister Assisting the Prime Minister on the Centenary of ANZAC) (16:31): I participate in this debate this afternoon having been in the parliament for a long time and having been through the children overboard and Tampa debates.

As my comrade the member for Hotham said this afternoon, you need to put this in historical context. The Labor Party did not agree to the broad sweep of proposals which were put forward by the Howard government initially. We certainly did not agree with the excisions of all the islands off the Australian coast. Christmas Island—for those who do not know—is part of my electorate. I had grave reservations about supporting, as we finally did, the legislation put through by the Howard government. Now I have the thought of how the people of Christmas Island need to deal with another issue relating to asylum seekers: people who have lost their lives, and suffered dreadfully as a result of making that dreadful boat journey.

I was in Christmas Island last year at a commemorative service for those who lost their lives in December 2010. There is no question about the horror of that incident. How could we not be concerned at the sight of young children dying in their parent's arms in the sea? Yet we have this debate today, a discussion about how we might move closer together, when the only people who are attempting to move at all are the government.

Earlier this week you would have seen the Leader of the Opposition go on national television saying that his observations were that this was not about bipartisanship but about what policy should be. He had made up his mind at the beginning of the week; he was not moving anywhere. So what have the opposition done? They are proposing, in effect, an amendment which will mean only one thing: we either the cop the opposition's position or there is no position. If we do not support the opposition's position here this afternoon, they have told us here in the chamber that they will oppose any bill which...
is passed through this place into the Senate. They have not made any genuine attempt to discuss in any realistic way any proposals to change their position.

The private member's bill we have here this afternoon provides us all with a capacity to move. We have shown our willingness to move. We have indicated our intention to move, but the people on the opposition benches have decided that they just cannot. I say to those people of principle who are on the opposition benches: think very carefully about what you are doing. Even if we had a discussion which said, 'Let's come part of the way,' the government has moved a substantial way, recognising the opposition proposal for Nauru and looking again at temporary protection visas but saying that most definitely we will not participate in turning boats back. This afternoon we have had the unctuous behaviour of some talking about the UNHCR and the protection of individuals and then turning around and saying, 'We will not support what might happen in Malaysia because it is not a signatory to the convention, but we will turn boats around to Indonesia even though they are not a signatory either.' The hypocrisy involved in that statement is obvious for all to see.

I turn to the issue of those people who are doing this work for us, those brave men and women from the Australian Navy and the border protection teams who are working on these vessels. Last week the HMAS Larrakia and the HMAS Wollongong pulled 90 souls out of the water, some after long periods of immersion. Can you imagine the horrible sights that would have confronted these young naval personnel as they pulled these people onto their boats? That in itself should be sufficient to say to us that we need to do something real; that in itself should say to all of us that we have to be genuine in trying to move across the divide. Yet there seems to be no intent by the opposition to move a centimetre. I say to members of the opposition: you have an opportunity to show us that you are genuine, that you are fair dinkum and that you will move by supporting the proposal before the House. (Time expired)

Mr FRYDENBERG (Kooyong) (16:36): When this debate started more than two hours ago, I looked up at the gallery. It was filled with schoolchildren, and I thought to myself, 'What would they be making of this debate?' I wanted them, despite the sometimes acrimonious nature of this difficult debate on border protection, to know one thing: Australia is a humane and generous country. Immigration is part of the Australian success story. In this country about a quarter of the population was born overseas. About nine million Australians have at least one parent born overseas and about seven million Australians have two parents born overseas. People such as Victor Chang, Frank Lowy and Sir John Monash are all the product of migrant Australia. In fact, the Prime Minister and the Leader of the Opposition were both born overseas, and I myself am a product of immigrants.

In fact, Australia is one of the top three countries in offshore resettlement. During the nearly 12 years of the Howard government, immigration doubled in this country. Let me repeat that: during the nearly 12 years of the Howard government, immigration doubled in this country. In 1996-97 there were 73,900 people in our migration program and 11,900 in our humanitarian program. When John Howard left office in 2006-07 there were 148,000 people in our immigration program and over 13,000 people in our humanitarian program. John Howard took the public with him. John Howard's strong border protection policies helped take the public to a point where they accepted a very generous immigration story.
This is the point of our amendments today. We want a strong border protection policy. We want something that works. We believe in the migrant Australia but we also believe in an issue of state sovereignty—namely, protecting our borders. We have a tripartite approach to border protection—that is, temporary protection visas, offshore processing and turning the boats back when it is safe to do so. These are all policies that worked in the 12 years of the Howard government to the point that, when John Howard left office, there were only four unauthorised arrivals in detention and just 300 unauthorised arrivals had come in the preceding five years. Compare that to what has happened since 2007 when Kevin Rudd, the member for Griffith, came to office. We have had 19,000 unauthorised arrivals, more than 500 tragic deaths at sea and massive cost blowouts and—importantly—8,000 people have been denied offshore resettlement in Australia because of the large number of unauthorised arrivals.

We oppose the Malaysian solution because Malaysia is not one of the 148 signatories to the UN convention on refugees. There are 148 signatories, but Malaysia is not one of them. The High Court ruled the Malaysian solution invalid, and now we are being asked in this place to support a bill which will see the Malaysian solution implemented. On the coalition side we are committed to good policy that works. We want consistency and credibility in our border protection policies. We do not want to worsen our relationships with important neighbours such as East Timor, Malaysia and Indonesia, as has happened on the government's watch by not having an effective border protection policy in place.

I know that my colleagues the member for Lyne, the member for Moore, the member for Pearce and many others in this House are all committed to the same goal—namely, a humane and generous approach to immigration—and also to a strong border protection policy. The Malaysian solution is not it. The coalition's amendments are a step forward because they mean that we can have offshore processing in one of the 148 signatory countries. (Time expired)

Ms OWENS (Parramatta) (16:41): Maybe I see the world in very simple terms here. We hear a lot from both sides of this House on the word 'compromise'. I point out to the member for Kooyong that, just as he does not support the Malaysia solution, I do not support Nauru either. I will find walking into this chamber and voting for Nauru to be quite a terrible thing to do, but I am going to do it because I think that finding an answer in this House, with both sides compromising, gives us the least worst option we can find. There is not a good option here. When war breaks out and people flee in fear of their lives, there are no good options anymore except peace. We cannot bring other countries peace in this House, but what we can do is find a way to play our part to help in this global problem of huge proportions.

There are an estimated 15 million asylum seekers in the world today who have already been processed by the UNHCR and another 25 million or so displaced people that we know of. I see figures that put it at 100 million more than that. We are talking massive numbers. Of the 15 million registered refugees, one per cent gets resettled in third countries—just one per cent or one in 100. So if there was this mythical queue that people talk about, it would be 100 years long. We know that the queue actually moves around—as new places of conflict arise, the queue moves—but, if there were a queue, it would be 100 years long.

It is that long because there are very few countries in the world which can take people from third countries. We, Australia, are one
of 12 countries who can do so. The US takes about 100,000, Canada and Australia take about 15,000 from third countries, and then there are another nine countries that take anything between a couple of hundred and 1,200. So there are three significant contributors to taking people from camps, where people sometimes stay for 15 to 20 years. That is the major role that Australia plays in the refugee dilemma around the world.

We are one of the few countries who can do it, and we can do it because we do not share a border with a conflict zone. If we were Pakistan and we had 1.8 million Afghans crossing our border, we would not be talking about permanent refugee status; we would be talking about housing people for the short term. If we were Malaysia, with 270,000 asylum seekers in their borders, we would not be talking about taking people from third countries. But we can. The reason I support the Malaysia deal and will vote for Nauru as well is that I think that role we play in taking people from third countries is incredibly important. It is a role that we should take very seriously, and we should grow. As long as the Australian people start to worry that our refugee policy may not be taking the people that are most in need, and as long as the Australian people start to lose faith in our refugee policy because of people arriving by boats and the incredible attention on it, we lose that capacity to grow that very important part of our program, which is the taking of refugees from third countries through the UNHCR. For that reason—with, I have to say, great difficulty—I will support the Malaysia deal, and I will walk into this House and vote for a bill which also reinstates Nauru.

I would take the opposition’s commitment to international conventions more seriously if they could explain to me why it is not okay to send people back to Malaysia for processing through the UNHCR, because Malaysia is not a signatory to the refugee convention, but it is okay to turn a boat back to Indonesia, which is also not a signatory to the refugee convention. The contradiction there is quite profound: it is not okay to send people back to Malaysia for processing through the UNHCR, but it is okay to turn a boat around and tow it back to Indonesia for whatever purpose, presumably not processing through the UNHCR, even though both countries have the same position in relation to the refugee treaty. Again I would ask the coalition to acknowledge that we on this side are really compromising on this. This is a genuine compromise for me. I would ask you to do the same. (Time expired)

Mr PYNE (Sturt—Manager of Opposition Business) (16:46): I am pleased to have the opportunity to speak on this very important debate that we are having in the House of Representatives today. I wish to speak in support of the opposition amendments, proposed by the member for Cook, which would ensure that no asylum seeker could be sent for offshore processing in any country other than one of the 148 countries that has signed the United Nations Convention Relating to the Status of Refugees. It is a very important compromise that the opposition is offering to the government.

I have been in this parliament for 19 years. I have sometimes been called a moderate, a member of the small 'l' liberal faction of the Liberal Party, and I have been proud to stick to my principles for those 19 years on some fundamental issues. I have often been asked by people to support views that would make the treatment of asylum seekers more lenient and more supportive, and that would ensure that women and children are got out of detention. In the Howard government, I was one of the
members of parliament who, with the member for Pearce and the member for McMillan, and other members in this House, supported the former member for Kooyong in his campaign to ensure that women and children were not kept in detention but released into the community.

One of the reasons I am so fundamentally opposed to the government’s Malaysia solution is this: in a nutshell, if the Malaysia solution becomes law, the people smugglers will know that the best people to put on boats to send to Australia will be women and children, because the government—and I assume it is being honest about this—has said that it will not repatriate women and children amongst the 800 going to Malaysia. That can only mean one outcome. The outcome will be that women and children will become the gold standard for people smugglers. Their parents, their fathers will be asked to send women and children knowing that they will not be repatriated to Malaysia, and knowing that under the family reunion provisions of the laws of Australia those women and children will be able to apply for family reunion to bring the fathers, or the mothers and fathers, to Australia under our laws. I do not want to be responsible for this. I know I speak for our side of the House, and I know I speak for many members of the Labor caucus when I ask: who wants to be responsible for women and children being the gold standard, sent on rickety, unseaworthy boats to Australia so that they can then apply under family reunion provisions in Australia to be reunited with the fathers or the mothers and fathers of those families?

As terrible as the tragedies are that we have experienced today, and last week, in the seas to the north-west of Australia, as horrific and as tragic as those events have been—and they are the reason we are debating this bill this afternoon instead of having question time—it will be even more horrific and it will have to weigh even more on the consciences of members of the Labor Party and the members of the crossbench if, in future, predominantly women and children are on those boats because people smugglers know that women and children are the gold standard to send under the Malaysian solution proposal.

The Malaysians solution is the worst of all possible worlds. It is the worst policy because it makes women and children the most attractive option for people smugglers to send to Australia on boats—potentially to their deaths. I do not want to be responsible, and I certainly will never vote for the Malaysian solution. I will never vote for the worst possible outcome of all worlds. By voting for the amendments moved by the member for Cook, we will ensure that offshore processing occurs and that it only occurs with the protections that are inherent in all those countries that have signed the UN convention on refugees. (Time expired)

Mr CHAMPION (Wakefield) (16:51): The member for Fadden earlier in the debate referred to the Orion aircraft, which, in response to the terrible tragedy that we have seen off our coast today, is on its way there or on its way back from there. Those men and women who fly the Orions of 92 Wing fly them out of my electorate. I have flown with them on a mission over the seas to our north. Those service men and women are very professional. They are glorious in their commitment and duty to this nation. Their courage should be reflected in the speeches that we give here today. At the end of this debate, this House will be either a house of courage or a house of the damned.
I remember, like the member for Stirling, being on the Christmas Island tragedy committee. I remember the testimony of border protection staff, of the Navy, of the Christmas Islanders and of the Federal Police about the terrible events of that day. I remember the testimony of the doctor who said that she had run out of body bags on the island and that they had had to wrap people in black plastic. These are terrible things, terrible events. Since I served on that committee, I have urged my party, whenever I could, to adopt unpalatable but necessary policies to save lives—to prevent risk to the lives of people who make these boat journeys and to those who respond to them. We must remember that there is a risk to the lives of ADF personnel, Federal Police and border protection staff.

The member for Melbourne talked about the 1970s and our response then—and we should not forget that, because it is instructive. Some 70,000 people came here, but a mere 1,700 of them came by boat. The rest came out of the camps in Malaysia, Hong Kong and Thailand. They came out here because we increased our intake by a vast degree—not by a mere 25,000 but by tens of thousands. If the member for Melbourne wants to advocate that sort of response, he should put a number on it—and it is a number bigger than 25,000 if he wants to stop the boats; I think it is something more like 100,000. I think he has a responsibility to do that.

There is little nice that can be said about the opposition's chocolate-wheel of arguments. They have come in here with every argument under the sun, many of them inconsistent with their past policies and many of them inconsistent with their public utterances. They have an obligation to be courageous and to be bipartisan, and they have missed that opportunity.

It seems to me that it is going to be a great contest in this House to break this partisan deadlock. It will take courage, it will take iron and it will take will for representatives to do that, because people are going to have to change their position. Some people are going to have to defy their parties and some people are going to have to examine their consciences. We have already done that in the Labor Party. We have had very painful caucus debates. Basically, this House is either going to reflect the professionalism, courage and dedication of 92 Wing and the Border Protection Command and their border protection staff or it is going to be a house of the damned.

Mr WYATT (Hasluck) (16:56): Madam Deputy Speaker, thank you for the opportunity to speak in support of the Morrison amendments. Prime Minister, I talk to you from a background of disadvantage, a background of knowing what it is like when you are in a position in which your strength is not the fact that you have got the information. Your leadership at times has been strong. You have been resilient in dealing with many of the factors in the work that you have done. But what I ask today is that you consider the compromise. The compromise that we have here for fellow human beings is absolutely critical. You as our leader of this nation have the opportunity and the capacity to make an incredible difference.

I know, Prime Minister, that points of political scoring do occur, but on this issue I think the lives of people are far more important than a position where we compromise the rights of people who deserve those rights. I understand the way in which we deal with issues within our political structures. But there are times, too, when I hear members in this House talk of a compromise, particularly the 40 who would came together this morning, looking for what
they thought might be a compromise, without the political impositions that would impede their intent to have a solution agreed to in this chamber today.

Member for Chifley, your comments were quite touching in terms of appealing to the humanistic element of all of us in this chamber. Certainly, Prime Minister, in terms of your leadership, I would ask that you do the same. It is not a case of taking away the rights of any individual. In the words spoken earlier by the member for Curtin, in reflecting on the previous Attorney-General's comments, it is a case of us having the focus and the capacity to defend the rights of any individual who comes within the sphere of influence of Australia, our leadership and our parliaments.

I appeal to you, Prime Minister, that you give serious consideration to a compromise. I believe from the qualities that you have displayed in your resolution in making some of the tough decisions that you have made that you now have the capability of applying the same here. I know that you have a position, and I respect that. But I ask that you give serious consideration to the amendments before the House so that the rights of those people who travel here, who take the risk to come to this country, are considered, and that if through an offshore process we make a decision to send them to another country that we collectively commit to the protection of the rights of these people who seek a life in this nation. Nobody in their right mind would not want to come here, because we have so much to offer. But we also want a process that protects our borders. At the same time, we also want to show the compassion that is needed to ensure that we guarantee the safety of anybody who traverses the oceans to come to this land. Prime Minister, I know that decisions are tough at times. I know that there are political agendas. But this time I appeal, as the first Indigenous member of this chamber, to your kindness and consideration and for you to look at the truth of the way in which we strike a common accord to afford people those privileges that I think are absolutely critical and vital. They are privileges I would not want to have relinquished if I were in their situation. I would hope that we would look at the amendments to protect those who are most vulnerable, to protect those who seek a better life, but at the same time ensure that our standards and our obligations to protect our borders are equally in place. Prime Minister, I appeal to you to give serious consideration to the Morrison amendments so that we reach a solution that is for the good of this country and for the good of those who come across the borders.

Ms BIRD (Cunningham—Parliamentary Secretary for Higher Education and Skills) (17:01): There are moments in time in this place when you know that a debate has shifted. I think that today we clearly face one of those moments in time. Members across the chamber have reflected on how personally their views on what has been a particularly vexed issue have brought them to this point in time in this place at this time. It is true, as others have reflected, that, sadly, how we manage the movement of displaced people in our region has not always been a vexed issue in this place, and we have had bipartisanship in the past.

We have had a vexed, difficult debate for many years now on this issue, and not just between the parties but within the parties. That is some of the conversation that we have heard. For me, December last year was a turning point. I have two young adult sons, and I have often entered this debate talking to people about how I would feel personally if my sons were under threat, under danger of their lives, and what actions I would take to get them out of that place and into a place of security and safety. It has always been a
reflection in the back of my mind when I have come to these issues—and they are hard issues for everyone.

Last December, what reflected in my mind—and they are the voices I hear in this chamber today—were the 90 souls who ended up at the bottom of the ocean. We have faced the same thing this past week. They are the voices; they are the hopes for the future that will not be realised, which we carry as a responsibility as we approach this debate today. Our opportunity in terms of addressing the broader issues around the movement of people in our region and finding a framework that will manage that in the most humane way will be an ongoing debate, I have no doubt. But for me the priority has to be to stop people getting on boats that sink in the ocean.

Everyone here, I am sure, feels the goose bumps on their flesh when they listen to news reports and wait to hear the outcomes of those news reports, as we do today. I think that the government has put forward a program that is a significant compromise for many across all parts of this chamber, and I think it has a real possibility to stop us facing those news items and awaiting the outcomes of those events on another day.

It is, as many have said, a difficult position to arrive at. There are a few times in difficult debates where we do get to a point where we know we have a chance to have a shift. That time is here and now. This is the opportunity to make that shift. Please do not walk away from it. I think that the government has put forward a proposal in supporting the member for Lyne's motion that is a good and honest attempt to find that place. Please support it. Please take action now. Please do not walk away from that opportunity.

I particularly want to acknowledge in the few seconds I have left, as some others have, the work of those in our Customs and Border Protection patrol—all of those people who face this potentially on a daily basis—and pay my respect to the fact that I cannot even begin to encompass on their behalf what they face. But I do want to put on the record my great respect for the work that they do and our ongoing support for the work that they do. Let's just make that work a whole lot less.

Mr CRAIG KELLY (Hughes) (17:04): If I lived in any other country in the world, I would do anything—almost anything—to get me and my family to our great land. But I can be thankful that my grandparents and my great-grandparents made that effort several generations ago. I recall the story of my wife's grandfather, who arrived in Australia at the end of the First World War as a young man by ship. It was not until he was in his eighties that he sought to obtain an Australian passport to return to visit England. Despite living and paying taxes in our country for almost 60 years, when he went to get that passport our government said, 'We have no record of you' and they asked, 'How did you get into Australia?'. He said that when the ship arrived in Circular Quay he simply walked off. There was no-one there and he went on his way.

But the world has changed in close to 90 years. Today, there are millions, perhaps 15 million, in refugee camps around the world, and there are many millions more that would take the risk, that would risk all, to come to Australia. I think of the over 10 million Coptic Christians in Egypt and the uncertain future that they face. So our first decision as a nation is to determine: do we have open borders or do we attempt to have some type of organised process? I believe that every thinking Australian understands that we need to have an organised process. The question is: what should that be?
With respect to the debate we are having here today, we have been in this position before. We all know the history, but I think it is worth repeating. Back in 2001 we had more than 5,500 people make the dangerous sea voyage, attempting to come to Australia. Boats were lost at sea and lives were lost. In an attempt to try and introduce an effective deterrent, the Howard government implemented what was known as the Pacific Solution. After this policy was introduced, there was only one arrival in 2002 and the low level of boat arrivals continued throughout the entire Pacific Solution period. When the Howard government left office, it is worth remembering that there were just four people in detention. Many of those in the current government dined out on the Howard government's border protection. Taking the high moral ground, they preached a policy of kindness and compassion claiming the opposition policies were too harsh and sought to vilify those policies of the Howard government. We have all seen the tragic results of that mistaken policy.

Today our nation is looking for leadership. A true leader would come into this parliament, stand up and say, 'I have made a mistake. It was a policy error to undo the policies of the Howard government and I will reinstate them in full.' We could leave this parliament tonight knowing we have achieved something. A true leader would stand up and say, 'If I cannot get my legislation through parliament, if I cannot get it through the Senate then I will call an election.' That is what a true leader would do. But, instead, this government seeks to support the implementation of what is effectively the Malaysia people swap solution, a policy that would see our proud nation resort to trading in human beings—trading 800 human beings for 4,000 others in Malaysia. Is this what the modern Labor Party truly stands for today?

We need to think through the effects of this policy. Under the Malaysia people swap deal, the government has stated it will not send women and children to Malaysia. Let us think through what will happen. We have seen how ingenious the people smugglers are. They will simply fill the boats with women and children. So if we think the tragedy we have seen today is terrible, just imagine how much worse it could be if those boats were filled exclusively with women and children—because that is what this policy will do.

In considering the amendment moved by the member for Cook, I would ask members of this government to recall the words of the Prime Minister back in July 2002: 'I would rule out anywhere that is not a signatory to the refugee convention.' That is simply what the member for Cook's amendment seeks to do. I know there are many on that side of the House whose conscience is troubled by this. I call on you to put your party politics aside and support the amendment moved by the member for Cook.

Mr BANDT (Melbourne) (17:10): As made clear before, the Greens have a fundamental opposition to this bill. Nothing that has been said during the course of this debate has changed that. We will not be supporting this bill whether or not it is amended. On the topic of this amendment specifically, the Greens take the view that the principles of the refugee convention ought to be paramount. That is how we guide our approach to refugee policy and our approach to this bill.

Underpinning the principle of the refugee convention is that when someone lands on your doorstep seeking assistance, you do not ship them off to a third country. That is where this amendment has an internal inconsistency. On the one hand it purports to promote the benefits of the refugee
convention yet on the other it undermines the fundamental principle. It is especially the case in our region where we are the most wealthy and developed country when one looks around our immediate neighbours and looks at the places that these boats are coming from. For us to say that although other countries may have, in good faith and because they want to improve their standards, signed the refugee convention that it is legitimate for us to take someone, turn them around and send them back to countries that have far less capacity to deal with this issue than us is fundamentally inconsistent.

If it is the case that this bill can be limited by time so that it falls dead at some time then that is something we will look at. But this amendment as it stands is not one that upholds the principles of the refugee convention.

Mr SIMPKINS (Cowan) (17:11): In the last week we have seen, with today, two great tragedies. It is the reality that no one in this place welcomes the death of anyone, particularly not defenceless women or children, or anybody, on the high seas. Nobody wants that. What is at stake today is a very simple matter. On this side we stand with the UN Convention on Refugees; on that side they are willing to throw it away. I think it is bizarre that those that are members of the Friends of the UN in this place—mainly on the other side—are willing to stand by the Malaysia solution, throw all that long-term support away and say—like the member for Hotham said before—that there is no confidence in those that have signed it. There is no confidence in the convention itself. I think that is a tragedy. The main tragedies are the deaths of innocent people who have died at sea.

I take this opportunity to pay tribute to the Navy and Customs personnel that have risked their lives and continue to risk their lives right now at this very moment, last week and on every one of over 300 occasions where a boat has made it to Australia and where Navy or Customs have had to go out and pick up the boat. This was not always the case. There was a time when the boats had stopped. More boats arrived in one long weekend here under this current government than arrived in the last year of the Howard government.

We have seen a couple of people on the other side have now moved away from their support of the Rudd government and the Gillard government's position on offshore processing. The reality is that what actually worked, what actually stopped the boats was the Howard government's policy. The Malaysia solution is not offshore processing; it is offshore dumping. Temporary protection visas were very important in that those that arrived illegally could not apply for family reunion. Finally, there is the turning back of boats where possible, but not as is said in the throw-away lines by those on the other side about towing people back to Indonesia, from whence they came. The reality though is that those who come by boats do not suddenly miraculously appear in Indonesia.

If you come from Afghanistan, for instance—no-one underestimates the fact that Australia is a great place to live and a lot of people want to come here, but people have to fly into Indonesia. So they have to move through the airport departures lounge and the airport arrivals lounge. I struggle with the view that people feel that their lives are at risk at the airport as they pass duty-free. Contrast to those who remain behind the barbed wire in refugee camps around the world. By having this policy, that this government changed and that has failed comprehensively, what we are doing is taking away the opportunities for refugee resettlement from those who are behind the wire in refugee camps. While people may
call me a racist or uncompassionate, I have been to one of those refugee camps and I have seen the little kids in rags as they stand there hoping for a better future but being held back by a country that has to process those who have the money to pay to bypass the system, to fly through those airport departure lounges and to pay to get on the boats. What a contrast that is to those who are stuck behind the wire in refugee camps.

If we need compassion, if we want to focus our humanitarian program we should do it where it really counts, for those without two bucks to rub together. That is what we should do, but in every way what is now required is to create the disincentives and put back in place the policies that are required to stop the boats. There is only one way—the opposition's way, the Morrison amendments' way. I endorse that and I think that those on the other side should as well.

Mr WINDSOR (New England) (17:16): I would like to speak briefly to the proposals that are before the parliament today. This has been a very interesting day for our parliament. I would just like to thank those people from across the political spectrum who took the time earlier today to come together and sit down and discuss this issue with a view to further discussions at a later time.

This is not the way in which I thought the day would unfold—not that I dictate the way days unfold—but it has put people in very difficult positions. There is urgency, there is no doubt about that. Obviously the boat that capsized today has brought both sides to the table to promote their agendas, but the thing that disappoints me a little bit is that there is still the smell of politics hanging over today's proceedings. I wonder if the boat had not capsized whether we would be in here or whether we would have gone into a slightly broader process in coming to some sort of consensus. But I thank the more than 40 MPs who came this morning, particularly those whose ideas probably were not welcomed by their own sides of politics, including the member for Moore, the member for Pearce, the member for Riverina and the member for O'Connor. The contribution that some of those people and others have made in the past few days in particular is noteworthy, including Steve Georganas and Rob Oakeshott. There is no doubt that has been a contributing pressure factor, but obviously the recent capsizing of another boat has compounded upon that and hence we have gone into the fairly rushed debate today.

What is coming through loud and clear to me is that no solution is going to be perfect. I see people obviously wrestling with their own consciences in relation to how they try to deal with this. There are demands in the community for it to be dealt with in some way. There are political positions that are being taken by various groups and, in the main, I respect those positions. There has also been the political positioning taken by some that has delayed outcomes in the past and delayed constructive debate across the political spectrum to find solutions. If the amendment gets up today we still have a process that is not perfect; if the Oakeshott bill gets up, it is not perfect either.

Whether either of these things gets up, and one will most probably, it is important to say—and this is where I agree with Andrew Wilkie's proposal—that regardless of what happens today we do need to review the outcome of the process. It would be well worthwhile to have a group of parliamentarians—it may be a group similar to this morning, or another group altogether; I am not trying to dictate the terms of that—from across the political spectrum work on the longer term processes that may be required. In listening to members today, and irrespective of which one of these two
options gets through the lower House—and then there is the debate as to whether it gets through the Senate—I think there is still a lot of work to be done. So I encourage the bipartisanship that has been displayed—genuine concern about genuine issues—and propose that we take it beyond today and try to improve on whatever outcome comes through the parliament in the next hour or so.

Mr HAWKE (Mitchell) (17:21): I join the member of New England in lamenting that this is a political question, though in one sense I do not think that we should shrink or resile from that. This is a political question, we are in politics and we are here in the parliament to debate the best answer and solution to this very serious problem. I do not see any problem in putting different points of view or in articulating our case for what might be better.

I come from the school of political philosophy that says that sometimes you have to be tough to be compassionate, and being tough can be a more compassionate approach in dealing with some matters. Under the Howard government a tough approach to ensuring our borders were secure ended up being more compassionate. When Kevin Rudd came to government we heard a lot about how we could be both tough and compassionate. I have the benefit of having sat through the last parliament listening to that. We saw that government unwind the system mechanism by mechanism, bill by bill, and say that the system had been so evil and that it had really done wrong to people. The government said that Australia was being harsh, cruel and unusual and that it could get to a point where allegedly we could be somehow both tough and compassionate.

I do not think that it is wrong for members of parliament to search their consciences and make a decision about on which side they fall on various issues. On border protection you can be a compassionate person and say, 'My view is that we should accept everybody that comes here, open the borders and let people in,' or you can say, 'No, I prefer to have offshore processing and have people come through an orderly program in a different place.' Those are both valid points of view. But a government that attempts to do both ends up doing neither. That is what we had from the Kevin Rudd government, and that has been the approach taken by this government for a long time. They have attempted to do both and have ended up doing nothing except, in my view, take a non-compassionate approach to this issue.

The member for Wakefield said we are being inconsistent. The member for Parramatta said 'Please—please—compromise.' But if the Labor Party were genuine about compromise and about finding a political solution, we would have had genuine political solutions being proposed and genuine dialogue and discussion. The member for New England is right to say this is a wholly political question, because we do not have that genuine discussion, dialogue or compromise in this chamber today. The member for Berowra was exactly right when he said that how we handle this hinges on human rights concerns. The current government when it was in opposition rejected, on the basis of human rights concerns, the Howard government's bills. The amendment that the coalition is moving today is on human rights and humanitarian concerns—the same principles applying to both governments—yet we have accusations of inconsistency and lack of compromise.

Of course we do not want to see people drown when they come on boats in dangerous situations in which their lives may be in peril, but all of us have known this has been happening for years. We have known about what the former Prime Minister Kevin
Rudd called an evil trade which will lead to more deaths. I recall him saying how evil and bad these people smugglers are. He also said that something had to be done years ago. But nothing very meaningful has been done. Nothing very meaningful has been proposed. There has been a lot of political debate and discussion but no action.

We need to think about the risks that our services and border protection personnel face every day: the dangers they face when boats are set on fire or there are accidents in dangerous seas and the very real strain and stress that they face every day in a system that is groaning. We also need to think about the fact that we spend $1 billion to administer 19,000 arrivals every year. We all know that there is a problem here. Why are we here right now discussing this? We are here because there has been a series of disasters and more disasters are happening. We have all known about this for some time.

The job of a government is to govern; it is not the government's role to subcontract that to the opposition. In the act-react cycle this week in this parliament we have seen the opposition proposing bills and the government reacting. Today we saw that again, and it is not to the betterment of this place for the government to rush in and have scenes in this chamber when we are all looking around and wondering what the hell is going on. It would be better to have a measured, reasoned and detailed approach to something for once—to really come forward and say 'Let's have a compromise.' We need to sit down and say, 'How can we work this out?' But that has not been going on today.

This legislation is wholly inadequate, which is why we have put forward an amendment. The amendment is to improve the quality of this legislation. But let us not fool ourselves that we are coming up with some kind of comprehensive solution, that one side is moral and the other side is immoral or that if you go to a meeting you are compassionate and if you do not you are not compassionate.

**Mr LAMING** (Bowman) (17:26): It has been a very, very important revelation for the Australian people that there could be coherent and passionate debate in this chamber. I hope that this debate will continue. It is obviously not up to me to restate the positions of both sides, but it has become pretty clear that this debate is about two irreconcilable policy areas: on the one hand the human rights issue, which we are defending, and on the other side a determination to stick with the Malaysia solution. That gives us a fairly simple framework within which to conduct this debate. I will cover some of the moral inconsistencies this debate is grappling with and then talk about some of the realities of source countries that have not been addressed. Then I will talk about where we can potentially go from here in the way of solutions.

One of the great frustrations of the Australian people is this debate, which has moved to policy prominence the arrival of boats from overseas. The top 3 reasons that we would be talking politics around a barbecue on how the government lost its way two years ago is what happened in 2008 and 2009 when the Australian government slowly, like the young Dutch boy in the parable, picked away at the dyke. That is right—the protections that had been put in place in the years before were slowly unravelled, and we waited for the inevitable.

As in the parable, suddenly what has happened over the last few months has brought home to the Australian people the horrible reality not only that there was there no willingness on that side of the chamber to address the problem but also that now, in a time of crisis, this government is learning
that it may not be able to address the problem legislatively.

A bill that could have been brought here to be debated has been sitting for months and months. There is only one thing that this side of the chamber has stood for and that is to listen to the High Court's decision on section 198 of the act which covers human rights. We on this side will protect the rights of people who are resettled. We are the side of politics that is doing that today. Let no-one standing on the other side forget that if there is one thing that holds up this legislation—be it from the government or handed to the member for Lyne with a little dill and dressing to pass it off as an independent bill—and that the same issue stands: we have a government fundamentally unable to let go of its Malaysian deal. That side of the House, when in opposition, placed human rights above all things. This was the great Australian Labor Party tradition, and I now wonder about the sorry carapace that is left on that side of the chamber, because the one thing that the government is prepared to trade away is the very thing that the opposition is standing firm on. No political party in any civilised Western democracy should ever pass up human rights as a way of getting an expedient political solution. I remember a mate of mine Jay Ryan, from San Francisco, who used to say, 'Always prefer a punt to a sack,' and that is exactly what the government is doing on human rights so that it can get a quick solution. The Australian parliament should never do that. That is why we will stand firm.

Let us now examine how they have worked very hard on the government side of the chamber to narrow this debate down to a squabble between two irreconcilable ideologies. Actually, that is not the case at all: this is a Labor Party that stood up for human rights once. Whether we take the utilitarian approach or the Catholic social theological approach we look after those who are most vulnerable. But the Labor Party has lost sight of that. With the first arrival that appears on our shores, it forgets about the situation in source countries. The previous speaker made that so clear. If we go to Afghanistan and see the suffering, then we must consider equally those vulnerable people who cannot get onto a commercial flight and fly to South-East Asia as we do the ones who arrive. They deserve equal consideration. I think that that is a thoroughly reasonable proposition.

We spend five per cent less on border processing in Quetta in Pakistan than we do on last-gasp situations here in our northern oceans. We have simply forgotten about and lost the opportunity to do cross-border processing. There is no dialogue with these nations. Remember also that half of all arrivals come from democratically-supported governments. Those source countries have democracies. Most of their problems are internecine and sectarian. That is not what the treaty was set up for, yet we could be working with those countries at source. But there is no talk of that from this government.

Let me remind everyone: we are a Westminster democracy. If a government cannot negotiate with the crossbenchers or with the opposition and get a bill through the Senate, then today we are debating nothing more than a zombie bill. It is the walking dead bill that was killed off in the Senate. What we need to do is find some ground for the government and—(Time expired)

Dr SOUTHcott (Boothby) (17:31): When faced with the decision of the High Court last year there were two possible responses. One response was to address the issue, which the High Court had identified, that the Malaysian people-swap deal was quite simply illegal under Australian law. Under Australian law there were protections
for people who were seeking asylum. That is why I support the amendment to the Migration Legislation Amendment (The Bali Process) Bill 2012 as moved by the member for Cook and the shadow minister.

This is a good amendment. It means that Australia and the Minister for Immigration and Citizenship can use any of the signatories to the UN Convention Relating to the Status of Refugees. There are over 148 signatories. I find it extraordinary that the Labor Party—the party of Evatt and Chifley, the party of Gareth Evans—has so little regard for the United Nations and their agencies and for a multilateral convention which is administered by one of the UN agencies. The Labor Party used to be the party that supported the United Nations and that supported multilateral treaties.

There has been some historic revisionism about the events leading up to 2001, and I remember very well the first border protection bill that John Howard brought into this chamber. The then Leader of the Opposition, Kim Beazley, did not support it and the Labor Party did not support it. One of the issues then, as it is now, was the protection that was there for refugees. This is an issue which all countries face—Europe faces it, the United Kingdom faces it and the United States faces it—and the one thing that differentiates Australia is that up until 2007 Australia had shown a solution to the issue of people smuggling and strong policies in the area of border protection. One of the problems with what the incoming government did in 2007 was that it started to pick at the regime that was there when it came to office. There were only four people in detention centres, but as the government picked at it the thing began to unravel.

We have heard talk about a regional solution. The idea is not new. The Howard government was represented at the original Bali conference in February 2002. In this debate we should remember the tremendous cooperation we have through members of the Australian Public Service and, particularly, the Australian Federal Police, and the excellent work that they do right across the region to combat people smuggling.

Labor now supports offshore processing. We have always believed on this side that offshore processing is an important element of the deterrent to people smuggling. That is why we had Manus Island and Nauru. One of the things we see now is a government which is floundering about. In the lead-up to 2007 one of the things the member for Griffith talked about when he was trying to position the Labor Party as a party that could deal with these issues was the layers of the onion. He talked about how we needed to manage national security and how we then needed to manage the economy and how we needed to do those two things before we could do anything else. That was to reassure people that the Labor Party could manage these issues. What we have seen now is over 300 boats arrive during the Labor Party’s watch. We now have a desperate government seeking desperate measures.

The solution has to be the reintroduction of temporary protection visas. The solution has to be offshore processing. The solution has to include the protections that are there in the UN Convention Relating to the Status of Refugees. We have a strong migration program and we have a strong humanitarian re-settlement program, but it needs to be an orderly program, and this government has lost control.

Mr JENKINS (Scullin) (17:37): I first have to apologise to the Leader of the House. I indicated that I would not seek the call unless provoked and all I have proved is that I am easily provoked. But I could not let some of the more recent contributions to the
debate on this legislation, Migration Legislation Amendment (The Bali Process) Bill 2012, go without response. It is a bit rich for those that sit on the other side to lecture us about the processes of the Australian Labor Party. The position that we are in tonight shows that the Australian Labor Party—a broad church—can reach a position of compromise. What those opposite are proposing to us is that we should move even further to join with a force that has not in any way moderated its position. That is my concern.

I pay a little tribute to the member for Boothby because he—somebody from the other side—finally mentioned the Bali process. I am not critical of the Deputy Speaker and the second Deputy Speaker for allowing a second reading debate to be revisited on consideration in detail but, if this had been a true consideration in detail debate, we might have looked at the clauses of this bill. While I am happy to refer to the bill as the Oakeshott bill, we might have reminded ourselves that it actually has a title and in that title is 'Bali process'. It is based on involving countries that are party to the regional cooperation framework. That is clause 198AA on line 29 of page 6—a true consideration in detail observation.

Mr Oakeshott: Hear, hear! It doesn't mention Malaysia once.

Mr JENKINS: No. Malaysia is one of the countries but there are over 40 countries that could be classified like that. If the member for Dawson could, for once in his life, listen to a debate and not prattle on I will refer him to the next page because—oh my gosh!—this is not enough of a multilateral agreement; we get referred to the UN. We go over the page to clause (4):

(a) the Office of the United Nations High Commissioner for Refugees; and

(b) the International Organization for Migration for a formal statement of the views of each of these organisations in relation to any arrangements that are in place, or are to be put in place, in the country for the treatment of persons taken into that country.

You talk about the conventions; this bill actually contains action. Shock, horror! The fact is, as mentioned by the member for Boothby, the Bali process was a creation of the Howard government. Goodness gracious! We picked it up when we were elected. We have run with it. It is multifaceted. It looks at ways in which we can assist those countries that are either source countries, transit countries or destination countries. While there have been some good contributions tonight I remind the House that one of the best contributions that has been made in this place about people movement and asylum seekers was made by Susilo Bambang Yudhoyono. He understood what confronted us. We should not look inward. This is not just our problem; it is a problem that we share. This bill might have its defects but it is an attempt to bring together a process that can assist.

I may or may not have attended a meeting earlier today but what I did do was notice that there was a lot of agreement around the Bali process and a longer term solution. It might surprise people on the other side that there have been discussions amongst moving tribes in the Labor Party about how we should handle this long-term, but we have a short-term problem. If we can at least come to agreement on it in some way, with some variation of this bill, we will show that to the rest of the world and the region. I support this piece of legislation as a conclusion that will do something. (Time expired)

Mr RANDALL (Canning) (17:42): I am pleased to speak on the Migration
Legislation Amendment (The Bali Process) Bill 2012 and in doing so bring to the House the reason we are here. The reason we are here is that border protection to our north has broken down and become dysfunctional. At the outset I congratulate everybody because this debate has been very civilised. Not only this urgent debate but debate on this whole issue over the last few days has been civilised—other than the irrational and out-of-control comments by the member for Isaacs who should withdraw them and apologise. I will move on.

In 2007 the member for Blaxland, Jason Clare, was on a committee trip with me to Geraldton. I said to him, 'Do you realise the trouble you people are in regarding border protection?' It is ironic that he is now the minister in charge. At the time he said to me, 'It's not an issue; it won't be an issue.' It is an issue and this is why it needs to be taken so seriously. It has come home now. The rest of the world is watching us. Our electorates are watching us and they are watching the way in which we deal with an issue which is so sensitive.

Yesterday, when I was on Capitol Hill with the member for Eden-Monaro, we treated this issue sensitively. When I got back to my office I had a number of emails generally supporting my point of view but there were some who said, 'I'm from your electorate and I've got a different point of view.' That is fine. That is the great thing about this democracy we have in Australia. I know that there are many divergent views out there but we are trying to reach a solution where we can stop the boats.

We did stop the boats. The Howard solution was something that brought me into parliament. In 2001, we received 5,516 boats. That is when the Tampa arrived. I was elected in 2001 in the only electorate in Western Australia to change hands. After 2001, there was one boat in 2002; 53 people in 2003, 15 in 2004; 11 in 2005; 60 in 2006. What happened in 2007? Double. Now we are reaching the point where the arrivals will probably outstrip the number of people that we bring in on our humanitarian program. We bring 14,000 people to this country annually on a humanitarian program, and we are about to usurp them.

I support the amendments that the member for Cook has moved. The Labor Party cannot on the one hand say they want countries with human rights obligations that have signed the conventions and then say, 'We've changed now. We want to send them to a country that doesn't have these conventions.' I bring to your attention an article in the Herald Sun of 2 June last year by Geoff Chambers in Kuala Lumpur entitled 'Refugees brutality claims: torture in Malaysia', which says:

Refugees in Kuala Lumpur's suburban slums say they have been tortured in Malaysia's detention centres.

It goes on and says:

Gruesome personal accounts include claims of beatings with rattan canes and whippings a fate that could await the 300 refugees the Federal Government intends to send to Malaysia as part of its controversial detainee swap.

It goes on about human rights groups criticising the tactics, but they are supported by Malaysian law. I would like to be able to table that, but I know I would not be permitted. In yesterday's Australian an article entitled 'Malaysia solution is a death sentence: lawyer' says:

A Former Iraqi soldier was tortured by police in Malaysia to obtain a confession that he planned to arrange for asylum-seekers to reach Australia, according to a leading human rights lawyer in Kuala Lumpur.

This is where people on that side want to send them. Can I appeal to people on that side who have made it their mantra in this House to support human rights, people such
as the member for Melbourne Ports, the member for Calwell, the member for Banks and the member for Fremantle. As a colleague from Western Australia, the member for Fremantle spoken on human rights issues. I have been on delegations with her when she has made human rights her No. 1 objective. On this issue I would be most surprised if she were comfortable in voting for a bill that sent people to a country that abrogated their human rights. I encourage people like the member for Fremantle to think carefully before they support the Oakeshott bill, but do support the amendments that we are offering to this House.

Ms GAMBARO (Brisbane) (17:47): I have sat here for the last three or more hours and listened to debate from both sides of the House, and there has been much compassion. I believe that there is much goodwill in this House from both sides. Today we can truly make a momentous decision. Today can be the day that we come together. Today can be the day that we make a decision that no other single loss of life will occur at sea. I therefore support the member for Cook's amendments. I have had the incredible privilege of working in this House and working with the member for Berowra when I was here as a member of the Howard government working as a parliamentary secretary dealing with refugee and humanitarian settlement programs and in my current role as a shadow parliamentary secretary.

Australia has had a very proud history. We have had 700,000 refugees come to this country and have accepted them since 1945. Today there have been many contributions about conventions, particularly the refugee convention, and I just want to highlight what that convention was about. In 1951 that convention related to the status of refugees. It is a key legal document in defining who is a refugee, what is their right and the legal obligations of the state. Australia signed on to that convention on 22 January 1954. Every year under our obligations to that convention—and we take those obligations very, very seriously—approximately 13,500 people are settled under the humanitarian convention. A large number of those are women at risk and in 2010-11 about 12.7 per cent of that number were women at risk.

There will always be civil wars, there will always be racial intolerance and there will always be persecution of those with different beliefs in many countries in the world. That is why the United Nations High Commissioner for Refugees says that at any one time there are approximately 43 million people forcibly displaced around the world—27 million of those are internally displaced people, 15.4 million are refugees and approximately 850,000 are asylum seekers.

We have had a long-held policy of good settlement programs in this country. A few months ago I met with Antonio Guterres, the United Nations High Commissioner for Refugees, who said that Australia had the best settlement programs in the world. So we have an incredible settlement program, we settle refugees, we provide housing, we provide language classes, we provide Centrelink support and we provide pathways for refugees to contribute and be a part of the Australian family. But what we are here about today is their pathway. I believe that we have a real chance today to come to some solution.

Australia has always supported the United Nations High Commissioner for Refugees and its activities all around the world in settling refugees. I have visited many refugee camps around the world. I have seen the look on the faces of people on the Thai-Burma border who are waiting for that magical interview with the UNHCR so that they can...
come to Australia. I see the torment of people who have come here and are used and abused by people smugglers. Every day people smugglers who engage in illegal activities deny each and every one of these people offshore a genuine place in Australia's humanitarian program. On Sunday I took part in World Refugee Day and I will never forget the faces of a large group of young men I met. I was humbled by their courage and their journey to this country.

Today is a day that we can get together. Today is a day that we can pass a bill that will make sure that there is not one single tragic life lost at sea. The tragic events of last week and the news today are gut-wrenching and heartbreaking for all of us in this House. We have an opportunity today to work together to process asylum seekers in a country that is a signatory to the United Nations refugee convention. There are 148 countries to choose from. We cannot send them to Malaysia on a swap deal. They are people, they are not commodities that can be swapped. Today is a chance when we can say that we can make a real difference.

Today is a chance to say, 'Stop this loss of life at sea.'

Mr CHESTER (Gippsland) (17:52): I welcome the opportunity to participate in this debate. As we gather this evening, I think it is important that we keep in mind the context of how we got ourselves into this situation, how we got into this mess, and reflect on what has happened in the past as we try to build a better future for people who seek asylum in this country. It is true that this government did inherit a system of border protection and controls that was working, and it legislated to have it unravelled. I do not make that comment out of any triumphalism or to apportion any blame. But it is a simple fact that the previous system was working and we deliberately legislated in such a way as to allow the system to unravel.

I do acknowledge that there is a need for action and there is a need for urgency in this situation. The events of the past week have brought it home to this place, but certainly there have been other terrible incidents where people's lives have been lost at sea. So I welcome the opportunity to participate in the debate, and I believe that we do have the capacity in this building, among members on both sides of this House, to come up with some solutions that we can all live with. I doubt that we will come up with a solution that will be perfect, but I think we will be able to come up with something we can all live with. Unfortunately, the legislation before the House, put forward by the member for Lyne, is not something that we on this side can live with, so we have put forward some amendments which I strongly support.

This debate is very welcome and is long overdue, and there is a need for some leadership in the way we manage this issue. I have had the opportunity over the past decade to watch this debate unfold from two different perspectives: one as a member of the public, and I watched and listened as John Howard was vilified for his so-called Pacific solution. I heard the left-wing media commentators and others describe him as inhumane, racist and mean-spirited, but under that suite of policies people were not drowning at sea in unseaworthy vessels trying to make it to Australia. So I do question those who lectured and pilloried the former Prime Minister and the member for Berowra: exactly what was inhumane about their policy when we look at the situation we have today where hundreds of people have died in recent years and more than 20,000 unauthorised arrivals have sought to make it to Australia in dangerous conditions?
The second vantage point from which I viewed this debate was in this place as a new member of parliament. I watched as the Rudd and Gillard governments sought to unwind those previous policies. The underlying principle for me in the way I have approached this debate and the way I try to consider how we should go forward is clearly to first do no harm. I think there is a lesson in that for all of us. The Rudd government, in its efforts supposedly to find a more humane approach, actually put the asylum seekers in a worse position and gave the people-smuggling industry an opportunity to flourish, and they have taken up that opportunity with a great deal of vigour.

I cannot support the legislation before the House, because it does provide for the government's so-called Malaysian solution. Today we have heard a lot of people on this side talk about the lack of human rights protections under the Malaysian solution. I think there are some real practical reasons why the Malaysian solution will not work. Quite simply, when we have got up to 1,000 unauthorised arrivals each month and the Malaysian solution involves swapping 800 unauthorised arrivals with 4,000 refugees from Malaysia, there is simply a practical problem there. The people smugglers themselves will flood the market. They will flood the market, achieve the first 800, swamp the Malaysian solution within a couple of weeks and we will be back where we started from.

The other issue I am concerned about is that I believe the people-smuggling industry is very conscious that this government lacks the resolve to solve the problem. When the Rudd government changed the legislation, they recognised the opportunity, recognised that this government did not have the resolve to pursue some of the policy options that were pursued by the previous government, and I fear that this situation will not be solved under the current arrangements of the Gillard government either.

I do support the member for Cook's amendments. I think his approach to restrict the offshore processing arrangements to countries which have signed the refugee convention is very practical, and I congratulate him on doing that. I think the protection of human rights for people at their most vulnerable time is critically important. I could not sleep easily knowing that I had voted for this Malaysian people-swap deal, so I will be voting against the member for Lyne's legislation.

The DEPUTY SPEAKER (Ms K Livermore): I call the member for Wakefield—

Mr Ramsey: Member for Grey.

The DEPUTY SPEAKER: Member for Grey. I beg your pardon.

Mr Champion: You wish!

Mr RAMSEY (Grey) (17:57): The member for Wakefield; goodness me, I could go on all day! That is one of the very few light notes in this debate.

The issue of asylum seekers and boat people has been a deeply troubling issue for Australia for a long period—over 10 years. As an outsider, when we were looking at round 1 in the times of Tampa and the Pacific solution, I found it difficult enough as a Liberal to accommodate the Liberal position, I must say. I actually visited a resident of Baxter detention centre in that period, at the behest of a friend who was a regular visitor there. He was a fine gentleman; he was Iranian. He would have made a great Australian, I do not have much doubt. But in fact he was found not to be a genuine refugee and he returned to Europe. Therein lies much of the heat of this argument about who are genuine refugees,
who are not genuine refugees and on what basis they come to Australia.

There are a few things I would like to say. The Grey electorate was one of the epicentres of the protest movement during those years in the early 2000s. The Woomera detention centre—which, I might add, is still there and could be used—is mothballed. The Woomera detention centre and the Baxter detention centre—which has now been largely dismantled and the remnants handed over to the Defence Force—became the protest centre for Australia every Easter. I wonder now how some members of the government feel about their allies from that time, who used to come up and fight with police, throw rocks and demonstrate outside Baxter detention centre because of the great evil done by John Howard and Philip Ruddock, the member for Berowra, who spoke so powerfully here alongside me earlier in this debate and exposed the truth and the hypocrisy of the arguments put forward on the government side. I wonder where those protesters are now. Where are those hundreds of people that flocked to Baxter and fought with police so they could get on national television? Where are they now? There are more people in detention in Australia now than there were then. but those demonstrators, those people of the far Left decried the Howard government for their inhumane actions—that is the way it was described—and assaulted the Howard government on a daily basis for what they proclaimed was the inhumane Pacific solution. As a Liberal who was uncomfortable with that policy, I came to respect the policy because it worked. It stopped the boats. There were no more boats. There were 300 people in six years.

The hubris of the government—the conceit when it thought it could play with those rules and not make a difference—is almost indescribable. Now the government have turned the full 180 degrees and they ask us to dismantle the human rights that Kim Beazley insisted on when the Liberal government sought the opposition's support when the Pacific solution was introduced. It is difficult to believe that some of the Left who proclaimed such strong support for human rights and values can ask us in Australia to turn our backs. We will send 800 people under the government's proposal to Malaysia, unprocessed with no guarantees on their futures at all. In return we will get 4,000 people who undoubtedly will deserve a new chance in Australia. But there is a system already for them to come into Australia. This is a bridge too far. I told you it was difficult enough in the first place for me to support the old policy, but this asks us to go much further and make the world a harder place. I support the amendments.

Mr BRIGGS (Mayo) (18:02): I rise to speak on this Migration Legislation Amendment (The Bali Process) Bill 2012, moved by the member for Lyne dealing with the continuing arrivals to our north. I stand with my colleagues in opposing this bill because the approach is flawed. I suggest to the House that the approach put forward by the member for Cook is a far better approach and a compromise approach. It is not the approach that we would seek to put in government. That has been very well articulated over a very long period of time by the Leader of the Opposition.

It was an approach which was used by the Howard government successfully. As the member for Grey pointed out so well just before, it was a policy that was belted from pillar to post by those in opposition at the time. It was an approach which we saw in the 2001 election led to all sorts of accusations about the motivations of the coalition, particularly the then Prime Minister and the member for Berowra, who spoke brilliantly earlier today. It was an
approach that came about through a compromise in this very chamber in 2001 when the *Tampa* arrived. The Minister for Regional Australia, Regional Development and Local Government said earlier today that it was wrong to say that they had opposed in opposition and then they had backed the government's approach.

In fact, as the member for Berowra quite rightly pointed out, the provisions that the government now seeks to remove were the provisions inserted by the then Leader of the Opposition to deal with the humanitarian issues that the Labor opposition at that point in time was so concerned with. One issue has not been addressed by the Minister for Immigration and Citizenship or the Attorney-General: how will this bill be dealt with in respect of the High Court ruling, which made it very clear that sending a person back to a country had to be bound by international law?

I accept the words of the member for Lyne that this does not identify Malaysia specifically. But what it does do, of course, is allow Malaysia to go ahead, and that is what we cannot accept. We cannot accept the stripping of all humanitarian rights out of the bills in Australia when we do not think that is necessary to achieve the outcome we all seek. The outcome we all seek is for the boats to stop coming and for people to be prevented from putting themselves in those risky circumstances, because the business model of the people smugglers will be destroyed.

We are not the only ones who say that the minister's approach on this is flawed. In fact, it was the member for Griffith earlier this year who made it very clear that he thinks this approach is flawed. He said:

I also have always had a view that something called the East Timor solution wouldn't work, and can I say those sorts of things need to be looked through very carefully before you simply take a walk on the policy wild side ….

In a separate press conference in February 2012 he also said:

…in my absence often, and then announced and implemented, often without my knowledge, in the case of various decisions like the Malaysian solution, for example, and then off they went only to discover that they didn't work.

That is the problem. Does anyone believe that this government could get it right? This government took apart the successful regime put in place by the member for Berowra when he was the Minister for Immigration, this government proposed the East Timor solution without talking to the East Timorese in the first place, this government proposed the Malaysian solution without being able to get through the High Court. That is why we say to those on the government side, to the minister at the table: deal with these amendments in a way that is genuine compromise, because at the moment the deal on the table is: you come and talk to us about a compromise on our arrangements. It is not a compromise at all, it is a political threat to try and win some political advantage, and they should not do it. They should be talking to us, they should listen to the people who successfully implemented policies that worked last time—those of the member for Berowra, the policies put forward by the Leader of the Opposition and the policies put forward by the member for Cook. Accept our amendments, Minister, and we will have a bipartisan solution.

**Mr ABBOTT** (Warringah—Leader of the Opposition) (18:07): I again commend all members of the House who have participated in this debate for the quality of the contributions. Can I also say how buoyed I am sure all of us are at the considerable success that the rescue effort to our north has had. It seems that well over 100 people have been plucked from the water and what might
have been a disaster on the same scale as the one we saw last week has been at least substantially averted.

It is important that the potential for disaster a second time in a week concentrate the minds of this parliament, and that is precisely what we have seen over the last few hours. Can I again say to the parliament that the only way to have real progress from this debate is for this chamber to pass a bill that has a reasonable chance of passage through the Senate as well. Any bill that we pass that has no hope of passing the Senate is not progress; it is just more stalemate.

I have to say that there is no way that the Malaysia people-swap will ever pass the Senate. Quite apart from the fact that it is limited to just 800—and we have seen almost 8,000 illegal arrivals in the time since it was first announced—the way the government has indicated it will act should the Malaysian people-swap be agreed to by the parliament guarantees that the boats will keep coming, only they will be boats full of women and children who the government has said will not go back to Malaysia under the people-swap arrangements. The Malaysia people-swap, I say respectfully to members opposite, will make a bad situation worse. That is why the coalition will never support it. That is why it will never pass the Senate.

In order to try to ensure crossbench and other support for the amendments moved by the member for Cook, I have been prepared to offer the crossbenchers in an attempt to get the only workable legislative solution through the House of Representatives today. What that will give, should it be supported by this parliament, is humane offshore processing plus, over time, a larger intake. It will in fact provide a legislative basis for precisely that which the Prime Minister supported before the election, when she said that she supported—belatedly—offshore processing but only at countries which have signed the UN refugee convention.

I know that there are many members opposite who are deeply, deeply unhappy with the Malaysia people-swap. I know that there are many members opposite who do not like offshore processing at all, let alone offshore processing in a country whose standards are not ours and that lacks the protections given by the UN convention. I appeal to members opposite to consult your consciences, as we on this side have been consulting our consciences over the last few days, and support legislation that really can be carried by the whole parliament, including the Senate, and take us forward not just keep us stuck. *(Time expired)*

Mr BOWEN (McMahon—Minister for Immigration and Citizenship) *(18:12)*: The Australian people have just witnessed an extraordinary press conference from the Leader of the Opposition and the shadow minister for immigration, and this House has just witnessed an extraordinary contribution from the Leader of the Opposition. Everybody would like to see more refugees come to Australia. I stood before the Labor Party National Conference in December and said that the Labor Party should aspire to have more refugees settled into Australia. I said that we should aspire to have 20,000
refugees settled into Australia. That was a resolution that passed that Labor Party National Conference. It was welcomed by everybody, except the opposition—and the shadow minister for immigration had quite a bit to say about the aspiration of bringing 20,000 refugees into Australia. He said it was 'a desperate plan to a divided party for a failed Malaysia people-swap'—a desperate plan.

We on this side of the House have a genuine desire to see more vulnerable and desperate people have the chance for a better life in Australia. But we know that those opposite do not, because they have told us so consistently. The shadow minister for immigration has consistently said that we should not increase our refugee intake. The Leader of the Opposition is not proposing to increase the refugee intake to 20,000 because he thinks it is the right thing to do—because he does not. He is proposing it in a desperate dash for the numbers, because he knows the support is not on their side of the chamber this evening. They are so desperate that they will make this pledge to increase the refugee intake to 20,000. They have not said how they will implement it. They regularly point out that they are not the government. When will this be implemented if they are not the government?

We all want to see more people having the chance to be resettled in Australia—that is the government's policy—but it should not be part of a deal to try and get the numbers to defeat a measure which would stop people coming to Australia on the dangerous boat journey that they currently undertake.

The Leader of the Opposition said we need a bill passed through the House tonight which has reasonable passage through the Senate, and I agree with him, but whether a bill has reasonable passage through the Senate is up to him, because it would have reasonable passage through the Senate if he instructed Liberal senators to vote for it. That is the case.

I want to deal with a couple of other elements that the Leader of the Opposition has raised. He has pointed out that increasing the refugee intake is now, apparently, Liberal Party policy, done on the run in his office over the last couple of hours in a desperate measure. We have good settlement services in Australia for resettled refugees—they are recognised as the best in the world—but they do not come cheaply. What the Leader of the Opposition has just done in order to try and secure couple of extra votes in this chamber is to dedicate his party to an extra $1.3 billion of expenditure over the next four years. This is not about human lives and it is not about money; this is about a measure to try and get more votes which has not been thought through.

The Leader of the Opposition also said there is a cap of 800 on the Malaysia arrangement and that is why the opposition cannot support it. There is a cap of 800, even though the Malaysian government has made it clear they would be happy to talk about further transfers after that. But any measure has a shelf life; any measure has a cap. Nauru had a maximum capacity when it was implemented of 1,200, just 400 more than the Malaysia arrangement. You could have a maximum of 1,500 now. The shadow minister dealt with that yesterday when he said, 'Oh yes, but the people will be moving through.' Where will they be moving through to? They will be moving through to Australia, due to the fact that there would be no meaningful deterrent in place.

The Leader of the Opposition says that women and children would not be sent to Malaysia. This is something he has made up in recent hours in a desperate attempt to try and win this debate. We have been through
this. He knows what I have said about the measures that will be in place for vulnerable people, with discretion applied.

Let me go back to the point I made today: does the Leader of the Opposition seriously for one second suggest that the implementation of the Malaysia arrangement, together with the opening of a detention centre at Nauru, would not save lives? Does he seriously suggest that? He cannot seriously suggest that. And, if he cannot seriously suggest that, there is an obligation on the opposition not to try these desperate measures at the last minute but to pass this legislation unamended.

Mr MORRISON (Cook) (18:17): There are people sitting around this country tonight watching this on television and there are people listening to it on their radios, because this is our parliament at work tonight. This is not a night for bravado, machismo and pounding of the dispatch box. This is a night for grace, it is a night for sober reflection, and it is a night to consider carefully the measures that are in front of us this evening. I regret that the minister in his statements has misjudged, I think, what the Australian people are expecting of this parliament tonight and the way in which we should be conducting this debate. This debate today has seen some of the finest speeches that I have witnessed in this place. That is something which is a credit to members around this parliament and I look forward to that continuing as the contributions continue.

This parliament is at work tonight seeking to break a deadlock. That is something that has been said repeatedly by people around the country, and that is what we are trying to get done here as an amendment has been put forward to try and break that deadlock. Beyond that deadlock, there are other matters—particularly, that members on this side of the House have sought to seek support for the measures in this amendment from those who sit on the crossbench. Those measures include what was referred to by the Leader of the Opposition: an increase of the refugee and humanitarian intake to 20,000 people within three years. Those opposite know full well my great concerns about the ability to achieve that sort of target in that sort of time frame. The members who have been part of discussions will know that one of my greatest concerns about achieving that is that we do it in a way that the settlement services program can support it. If you increase this intake too quickly, then you can collapse the settlement services support system. Members on that side of the House know that as well as members on this side of the House.

Three years is a sensible time frame to work towards that target. The minister believes that that target is appropriate as well. That is something that we can work on together. It is something that has troubled me in the past and, in a bid to try and break this deadlock, it is something I am willing to work towards, but with the condition that I have provided: that we work through it constructively through a multiparty committee of this parliament and work through the details with those who provide these services on the ground, so we can be confident that we can hit that target and provide those places—and afford those places—and do it in a way that does not jeopardise the important settlement services that are provided currently to thousands of people who rely on those services to enable them to become great Australians. We have seen thousands upon thousands of great Australians come through our refugee and humanitarian program. Both sides of this House support strongly our refugee and humanitarian program. We have differences over issues relating to border protection and we are seeking to try and resolve those
differences in this House tonight with that measure, and so we put that forward.

We have also said that we would support the flagged amendment from the member for Denison to have a one-year sunset clause on the provisions that are before the House tonight. We have said, and it is current coalition policy, that we will support the UNHCR monitoring and running these processing centres, should it agree to do so. We have said that we would have a benchmark of 12 months for processing people that go through such facilities to process their claims. This is what is being asked of members on that side of the House. What we are asking of the members of the crossbench is to support the amendment, so that the amendment we can have that comes out of this place tonight—

Government members interjecting—

Mr MORRISON: I will speak over the interjections of members opposite, because I am not sure if that is the sort of tone that members opposite generally want to have in this debate as we put these measures forward for them to consider earnestly. You can consider earnestly these measures, and I am calling on all members to do so. These measures ensure that that the bill can pass this House of Representatives and, with the government's support, the Senate. This will ensure that we leave this place with what the Australian people are asking of us—a bill that has legally binding humanitarian protections that satisfy the demands of Australian standards; a bill that provides for offshore processing in 148 countries and our working together to further improve our refugee and humanitarian program. I call on members to support it.

Mr NEVILLE (Hinkler—The Nationals Deputy Whip) (18:22): In supporting the amendments to the bill, I think we should perhaps all go back to first principles for a little while and just look at what is really etched in our psyches. Whether we are Christians, Muslims or Buddhists, etched in our psyches is the defence of women and children and the care and protection of the vulnerable. Even in the period since the Second World War, we have seen all sorts of migrations of displaced persons from country to country, including right down to the more recent years in Vietnam. Now we find ourselves in this current circumstance. We ask what our response should be to this defence of women and children and care of the vulnerable. Why do people come to this country? Do they come to this country because they want to escape terrorism, blinding and grinding poverty and starvation? Is it because they want the freedom to practice their religion and political beliefs? They know that if they come to Australia they will have a good standard of living. They will have freedom of religion. They will have freedom of association. They will have freedom of the press. They will have freedom of assembly. They will have all the sorts of things that many of them have been denied. So this country becomes a very attractive target.

There is a dichotomy here: on the one hand is the care of the vulnerable and, on the other hand, is how you regulate to get people out of one situation and into another. In the middle, you have those who trade in people, the people smugglers. As the folklore about Australia spreads throughout the Indian subcontinent, South-East Asia and the Middle East, we become a very attractive target. We are generally agreed in this place on what should happen.

The sticking point that this whole debate has come down to is the Malaysian situation. I find it very difficult to accept this Malaysian situation. I think deep down the government has a similar problem. If the government were sure that the Malaysian
situation would satisfy our needs in Australia on this matter, why would they have excluded women and children from it? They are clearly disturbed by aspects of it. Then you come to this extraordinary situation of: we will take 4,000 of yours if you take 800 of ours. You can dress that up any way you like, but that is trading in human flesh. That is using a social, human dimension to achieve a political outcome, and it should be unacceptable to both sides of this House. Trading in human flesh is the most loathsome thing—and that is what it gets down to. At the end of the day, there are only 800 who are going to be catered for.

There are lots of imperfections in what we have done thus far with our various programs to accommodate people who have come to this country; but, by and large, the offshore processing has been the answer. And you heard the figures today—I will not go over them again—during the Howard years. We did stem that tide. When the tide was stemmed, the smugglers were not operating, the boats were not coming and the people were not drowning. I think we should go back to as close as that as we can. Places like Nauru and Manus Island offer that possible solution, and for that reason I support the amendments.

Mrs MOYLAN (Pearce) (18:27): This morning, over 50 members of this parliament met here with a genuine desire to explore a way forward to break the stalemate that has prevented this parliament from agreeing to legislation to improve the way we manage our responses and our responsibilities to asylum seekers who make the risky journey here by sea to find a safe haven. I would like to thank those members and particularly the member for New England and the others in this place who facilitated the meeting this morning and for the good will in which they went about that.

There was considerable good will in that meeting. The meeting agreed to a joint communique to the coalition leader, the Prime Minister, the leader of the Greens and all the Independents in this place. We hoped that the communique would move the leaders in this place and in the Senate to come together to forge an agreement that could be supported by this parliament—by this place and by the Senate. If we cannot forge that kind of agreement then this matter is not going to be resolved and we are going to see more people needlessly die. Soon after we emerged from that meeting the news came through that another boat had capsized, that a rescue operation was underway and that some lives had been lost. At the centre of what we wanted to achieve was the protection of human dignity and human life. I do not think anyone in this place disagrees with that proposition. The Australian people have an expectation that we will take responsibility for managing the borders of our country, because it does cause fear and that has to be acknowledged. Governments have a responsibility to take measures to protect our borders. But that is not mutually exclusive to us finding a way to manage the asylum seekers who reach our shores and the asylum seekers who are coming to our Asian region being dealt with humanely and decently.

It is clearly evident that if we continue to go along the way we are—the government came in after our meeting and proposed to put what is known as 'the Oakeshott bill', which is basically just returning to the Malaysian solution—we know that the Greens party cannot support that. I have spoken out against that in this place previously. I cannot support it. I cannot support it because I do not believe that it is a durable way forward. It is only a bandaid approach and we have to stop governing in this country on this matter of great import by
using bandaids or, as someone said in the meeting this morning, bumper sticker slogans. We just cannot keep doing that.

We looked at the amendments that have been put forward by the opposition, and they do not sit terribly well with me. I know they do not sit well with everyone, but we are not going to find a perfect solution to this; we are just not. We are not dealing with perfect conditions, so we have to make some compromises somewhere along the way. But I think it is far better to send people to the countries who are signatories to the United Nations convention on refugees and to have some other safeguards. So with goodwill I have tried most of this day to negotiate with colleagues in this place to support the opposition's amendments and to put into place some other safeguards around those. I do not wish to take up the rest of my time—

(Extension of time granted)

This will be important progress if we can as a parliament come to an agreement to accept the opposition amendment to have processing done only by countries that are signatories to the convention, along with these other measures, which are that we increase the number of asylum seekers we take. That does have to be managed, because they have to be resettled in this country, but it deals with some of the push factors. What is happening is that people are sitting in Malaysia, Indonesia and other places and they know that they are not going to get an opportunity to be resettled within years. So of course they are going to negotiate with people smugglers so that they can get on with their lives. These people also live with the fear of being returned to countries like Afghanistan and almost certain death for some of them.

That is why we worked with the Greens and other members today to try and come up with these amendments. The Leader of the Opposition entered into these negotiations in good faith. Other amendments were that there be a time limit on the processing of asylum seekers in those countries that have centres, because that is another push factor; that we would have those assessment centres endorsed by the UNHCR if, of course, they are agreeable—these things have to be properly discussed and negotiated; that there be a benchmark of 12 months maximum for assessing asylum seeker claims—again, this is another push factor; and that we would establish a multiparty working group to work through some of the myriad complex issues.

This is not a simple matter; this is a very complex matter that we are dealing with. We have a lot of wisdom in this parliament on these benches. As the member for New England, Tony Windsor, said, 'Let's stop being politicians just for a day and be parliamentarians.' There is a lot of goodwill; there is a lot of knowledge, and we can draw on incredible knowledge within our country on these issues as well. So I and, I know others, would like to see a multiparty committee set up to look at some of the more complex aspects of this whole immigration policy.

I implore members of goodwill in this parliament tonight to work together so that we can pass the opposition amendments to this bill. I think the public expect that we will be responsible and that we will try to work through these matters with goodwill. At the heart of this is a genuine attempt and a commitment to safeguard some very vulnerable people that we all want to see resettled, so this has been negotiated with good faith today. I am sorry that I have not been able to be more successful with some of my colleagues, but I will not stop trying. I do not have that long in this place, but I will continue to give it my best shot because I know many of us feel so deeply. As my colleague Scott Morrison, the shadow
minister, said, he has heard some of the best speeches we have had in this debate tonight. I would implore us to come together to move forward and not to move backwards on this and not to support a piece of legislation in this place that will not get support in the other place. Let's give this matter the best chance to move forward and get a piece of legislation that the whole of this parliament can agree to today.

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (18:38): I move:

That the question be put.

The House divided. [18:42]

(The Deputy Speaker—Anna Burke)

AYES

Adams, DGH
Albanese, AN

Bird, SL
Bowen, CE

Bradbury, DJ
Brodtmann, G

Burke, AS
Butler, MC

Byrne, AM
Champion, ND

Cheeseman, DL
Clare, JD

Collins, JM
Combet, GI

Crean, SF
Dunby, M

D’Ath, YM
Dreyfus, MA

Elliot, MJ
Ellis, KM

Emerson, CA
Ferguson, LDT

Ferguson, MJ
Fitzgibbon, JA

Garrett, PR
Georganas, S

Gibbons, SW
Gillard, JE

Gray, G
Grierson, SJ

Griffin, AP
Hall, JG (teller)

Hayes, CP
Husic, EN (teller)

Jenkins, HA
Jones, SP

Kelly, MJ
King, CF

Leigh, AK
Livermore, KF

Lyons, GR
Macklin, JL

Marles, RD
McClelland, RB

Melham, D
Mitchell, RG

Murphy, JP
Neumann, SK

Oakeshott, RJM
O’Connor, BPJ

O’Neill, DM
Owens, J

Parke, M
Perrett, GD

Plibersek, TJ
Ripoll, BF

Rishworth, AL
Roxon, NL

AYES

Rudd, KM
Saffin, JA

Shorten, WR
Sidebottom, PS

Smith, SF
Smyth, L

Snowdon, WE
Swan, WM

Symon, MS
Thomson, CR

Thomson, KJ
Vamvakou, M

Wilkie, AD
Windsor, AHC

NOES

Abbott, AJ
Alexander, JG

Andrews, KJ
Andrews, KL

Baldwin, RC
Bandt, AP

Billson, BF
Bishop, BK

Bishop, JI
Briggs, JE

Broadbent, RE
Buchholz, S

Chester, D
Christensen, GR

Ciobo, SM
Cobb, JK

Coulton, M (teller)
Crook, AJ

Dutton, PC
Entsch, WG

Fletcher, PW
Forrest, JA

Frydenberg, JA
Gambale, T

Gash, J
Griggs, NL

Haase, BW
Hartsuyker, L

Hawke, AG
Hockey, JB

Hunt, GA
Irons, SJ

Jensen, DG
Jones, ET

Keenan, M
Kelly, C

Laming, A
Ley, SP

Macfarlane, IE
Marino, NB

Markus, LE
Matheson, RG

McCormack, MF
Mirabella, S

Morrison, SJ
Moylan, JE

Neville, PC
O’Dowd, KD

O’Dwyer, KM
Prentice, J

Pye, CM
Ramsey, RE

Randall, DJ
Robb, AJ

Robert, SR
Roy, WB

Ruddock, PM
Schultz, AJ

Secker, PD (teller)
Simpkins, LXL

Smith, ADH
Somlyay, AM

Southcott, AJ
Stone, SN

Tehan, DT
Truss, WE

Tudge, AE
Turnbull, MB

Van Manen, AJ
Vasta, RX

Washer, MJ
Wyatt, KG

PAIRS

Rowland, MA
Scott, BC

Question agreed to.
The SPEAKER (18:47): The question is that the amendments be agreed to.

The House divided. [18:48]

(The Deputy Speaker—Anna Burke)

Ayes.................72
Noes.......................74
Majority..............2

AYES
Abbott, AJ
Andrews, KJ
Baldwin, RC
Bishop, BK
Briggs, JE
Buchholz, S
Christensen, GR
Cobb, JK
Crook, AJ
Entsch, WG
Forrest, JA
Gambaro, T
Griggs, NL
Hartsuyker, L
Hockey, JB
Irons, SJ
Jones, ET
Kelly, C
Ley, SP
Marino, NB
Mathesob, RG
Morrison, SJ
Neville, PC
O’Dwyer, KM
Pyne, CM
Randall, DJ
Robert, SR
Ruddock, PM
Scott, BC
Simpkins, LXL
Somlyay, AM
Stone, SN
Truss, WE
Turnbull, MB
Vasta, RX
Wilkie, AD

NOES
Champion, ND
Clare, JD
Combet, Gl
Danby, M
Dreyfus, MA
Ellis, KM
Ferguson, LDT
Fitzgibbon, JA
Georgianas, S
Gillard, JE
Grierson, SJ
Hall, JG (teller)
Husic, EN (teller)
Jones, SP
Kelly, MJ
Leigh, AK
Lyons, GR
Marles, RD
Melham, D
Murphy, JP
Oakeshott, RJM
O’Neill, DM
Parke, M
Plibersek, TJ
Rishworth, AL
Rudd, KM
Shorten, WR
Smith, SF
Snowdon, WE
Symon, MS
Thomson, KJ
Windsor, AHC

Mr WILKIE (Denison) (18:52): I move:
(1) Page 2 (after line 2), after clause 3, insert:

4 Application of amendments

However:
(a) the amendments (including any repeals) made by this Act have effect only for a period of 12 months from the commencement of this Act; and
(b) any Act amended by this Act has effect after that period of 12 months as if the amendments had not been made.
In a previous life I was the chairman of the Information Oversight Committee, the intelligence body at the time responsible for coordinating intelligence on irregular immigration. I was also the Office of National Assessments representative on the Operations Oversight Committee, which was the body at the time which had oversight of disruption operations against people smugglers, in particular in Indonesia. What became abundantly clear to me at that time, seeing all the information I was seeing, was that irregular immigration is not a border security problem. It is not a border security problem that can be dealt with with temporary protection visas, mandatory detention, offshore processing, the excision of Australian islands and so on.

What I saw was a highly complex humanitarian problem, a problem that required an equally complex solution. The solution needs to seek to deal with the situation in source countries, and give much greater assistance to countries of first asylum, such as Pakistan and Iran. The solution must also involve much greater cooperation with the authorities in transit countries, in particular intelligence cooperation and police cooperation to try and crack down on the people smugglers who are, after all, the only people who are doing anything illegal when it comes to irregular immigration confronting Australia. Unsurprisingly I do not agree with offshore processing and in particular I do not agree with the so-called Malaysia solution.

I do not agree with that in part because I do not think it is a particularly effective measure and also because Malaysia is not a signatory to the UN Convention Relating to the Status of Refugees, so there are scant safeguards in place should we send asylum seekers to that country. I do not want to support the member for Lyne's private member's bill. But in some ways my concern with that bill is irrelevant, because my understanding is that the member for Lyne has the numbers to see that bill succeed in the House tonight. So the best I can do is at least to put in place some safeguard to limit the damage that might be done by that solution.

I am moving this amendment that would, in effect, put a sunset clause into the member for Lyne's bill, so that any measures that might be decided by the parliament would only have a life of 12 months. In other words, we would all have 12 months to come up with a better solution and, in particular, to leverage off the sort of sentiment, interest and ideas that bubbled up this morning when something like 40 or more members of parliament met to try and find a way through this impasse. Having a sunset clause is good. It limits the member for Lyne's reform, and it gives us an opportunity, importantly during the term of this parliament, to come up with a better solution. With a sunset clause of 12 months only, this government, this parliament, this opposition will have to work together to find some sort of compromise and enduring solution.

I move this amendment and I seek the support of the House for it. But I must confess to finding myself in a diabolical ethical dilemma, because in moving this amendment and seeking the support of the parliament I have reached an agreement with the government that if the government is to support the implementation of a sunset clause I am then obliged to support the bill, which I will do.

Ms GILLARD (Lalor—Prime Minister) (18:56): I rise to say to the member for Denison, and more broadly to the House and
the parliament, that the government will support the amendment moved by the member for Denison. The government will do that not because we agree with the member for Denison's reasoning as he has just outlined—we obviously take a very different view of the merits of the agreement with Malaysia and the merits of the government's approach. But that is as it may be, and people have contributed to this debate from a variety of perspectives. Many of them have said that over the past few months their views have changed. Many people have been on a journey where their views have become quite different from those they held six or 12 months ago. That is to be respected.

I respect the fact that the member for Denison has entered into this debate in a spirit of wanting to see something done, though he does have a different view from the government about what should be done. But the government will accept this amendment because we do not believe that there is anything to be feared by parliamentary scrutiny and parliamentary engagement in 12 months time. In 12 months time, after the sunset clause, this parliament and Australian people will have had the opportunity to see these policies in operation. They will be able to judge for themselves, and in those circumstances, next time we debate these issues in the House of Representatives, that debate will be held in circumstances where people will not make claims about these policies; they will be able to see their effects. Consequently, as a government that is seeking to implement change, we believe that there is nothing for us to be concerned about in parliamentary scrutiny in 12 months time.

I also think that that engagement with the parliament in 12 months time may give members who have expressed such goodwill in this debate a period of time in which they can work together and perhaps bring some of their own ideas to the table. Many have talked about the need for better regional processes, and we are very open to that discussion. Many have talked about the need for our great country to take more genuine refugees, to take people in greater numbers from offshore camps around the world. That is the position of the Labor Party. That is our platform position and it is something we have long been committed to. I anticipate that over the months in between, that discussion will be had in this parliament and will mature in this parliament as a result. So we will be supporting the member for Denison in this amendment and we thank him for his understanding about supporting the government's need to act in what are very difficult circumstances. I take this opportunity to thank the many members who have spoken in this debate today, some of them with very great emotion. I thank them for their contributions.

**ADJOURNMENT**

The DEPUTY SPEAKER (Ms AE Burke) (19:00): Order! It being 7 pm, I propose the question:

That the House do now adjourn.

Mr Albanese: Madam Deputy Speaker, I require that the question be put immediately without debate.

The House divided. [19:04]

(The Deputy Speaker—Ms AE Burke)

| Ayes | ..........................71 |
| Noes | ............................75 |
| Majority ......... | 4 |

**AYES**

Abbott, AJ
Andrews, KJ
Baldwin, RC
Bishop, BK
Briggs, JE
Buchholz, S
Christensen, GR
Cobb, JK

| Alexander, JG |
| Andrews, KL |
| Billson, BF |
| Bishop, JJ |
| Broadbent, RE |
| Chester, D |
| Ciobo, SM |
| Coulton, M (teller) |
AYES

Crook, AJ
Entsch, WG
Forrest, JA
Gambaro, T
Griggs, NL
Hartuyker, L
Hockey, JB
Irons, SJ
Jones, ET
Kelly, C
Ley, SP
Marino, NB
Matheson, RG
Morrison, SJ
Neville, PC
O'Dwyer, KM
Pyne, CM
Randall, DJ
Robert, SR
Ruddock, PM
Scott, BC
Simpkins, LXL
Somlyay, AM
Stone, SN
Truss, WE
Turnbull, MB
Vasta, RX
Wyatt, KG

NOES

Dutton, PC
Fletcher, PW
Frydenberg, JA
Gash, J
Hass, BW
Hawke, AG
Hunt, GA
Jensen, DG
Keenan, M
Laming, A
Macfarlane, IE
Markus, LE
McCormack, MF
Moylan, JE
O'Dowd, KD
Prentice, J
Ramsey, RE
Robb, AJ
Roy, WB
Schultz, AJ
Seeker, PD (teller)
Smith, ADH
Southcott, AJ
Tehan, DT
Tudge, AE
Van Manen, AJ
Washer, MJ
Marles, RD
Melham, D
Murphy, JP
Oakeshott, RJM
O'Neil, DM
Parke, M
Plibersek, TJ
Rishworth, AL
Rudd, KM
Shorten, WR
Smith, SF
Snowdon, WE
Symon, MS
Thomson, KJ
Wilkie, AD
Zappia, A
McClelland, RB
Mitchell, RG
Neumann, SK
O'Connor, BPJ
Owens, J
Perrett, GD
Ripoll, BF
Roxon, NL
Saffin, JA
Sidebottom, PS
Smyth, L
Swan, WM
Thomson, CR
Vamvakacos, M
Windsor, AHC

PAIRS

Mirabella, S
Rowland, MA

Question negatived.

BILLS

Migration Legislation Amendment (The Bali Process) Bill 2012
Consideration in Detail

Debate resumed.

The DEPUTY SPEAKER (Ms AE Burke): The question is that the member for Denison's amendment be agreed to.

Mr MORRISON (Cook) (19:07): We have just seen in this place, with the vote on the previous amendment and the one that has now been put before us by the member for Denison, some very serious matters. The coalition reached out to this parliament and put forward some very serious proposals to the crossbench. We put forward an amendment to this bill, the Migration Legislation Amendment (The Bali Process) Bill 2012, in good faith. It would have seen this bill passed not only in this place but in the other place as well. It would have seen us leave this parliament this week with legislation that the government said was
needed and that the Australian people expect is needed as well.

That is not going to happen now because the government have rejected the amendment that was put forward and the offer that was made by the coalition to secure that amendment and break this deadlock. The amendment put forward by the member for Denison will not be supported by those on this side of the House. The offer that was made by the coalition has been rejected by the crossbenchers. It has been rejected by the government. They have decided to stand there and lock this parliament up over a potential way forward rather than dealing with it as I believe the people of Australia would have expected and as the coalition was hoping for. The member for Pearce stood here in this chamber and was given two opportunities to make that plea to the members of the government and the crossbench. It has been rejected by the government. They have decided to stand there and lock this parliament up over a potential way forward rather than dealing with it as I believe the people of Australia would have expected and as the coalition was hoping for. The member for Pearce stood here in this chamber and was given two opportunities to make that plea to the members of the government and the crossbench. That plea—from the member for Pearce, from the Leader of the Opposition and from me as the mover of the amendment—was categorically thrown out of this chamber by a government looking to score a cheap victory on this issue tonight rather than introduce legislation that will pass this parliament.

The amendment put forward by the member for Denison will not be supported by this coalition. This carbon-copy bill—the government's plea for their abominable Malaysian people swap—will not be supported by this coalition. This government's attempt, supported by the member for Lyne, to strip the human rights protections of clause 198A out of the Migration Act and replace them with nothing legally binding will not be supported by members on this side of the House—but it will be supported by many members on the other side of the House.

I am not sure how many members of the government, as they examine their consciences on this, will walk into this place and support the abolition of these measures. I am not sure how many of them will examine their consciences, when this bill is finally debated and voted on, and vote for their abominable Malaysian people swap. I ask them to examine their consciences tonight because this side of the House is going to stand against the Malaysian people swap. I will tell you why: unlike most on that side of the House I have been to Nauru and Malaysia and seen where people will be. I have seen the schools they would attend—and the schools they will not attend in Malaysia. I have seen the clinics they will not be able to go to in Malaysia. I have seen the conditions that they are going to live in. I have seen the abuse that they are going to be exposed to. I have seen it and I will not let it happen in this place. I returned from Malaysia and shared with my colleagues—the Leader of the Opposition and the shadow cabinet—that we could not allow this abominable bill and proposal to be supported by this parliament.

Members on that side may well support this abominable bill, but one thing we know is that the coalition will stand tough on this in the Senate. We will prevent this parliament from backing such an abominable arrangement. I am sorry to say to the member for Denison we will not support this amendment. He understood that we wanted to get legislation through this parliament. That has been rejected by those opposite. It has been rejected by the majority of the members for Denison's crossbench colleagues. The Australian people were looking for talks; we had them today. A compromise was put by the coalition—a significant compromise which required us to move. We did move, and that move has been
categorically rejected by a government hell-bent on introducing— *(Time expired)*

**Mr KATTER** (Kennedy) (19:12): I have been listening to speeches in parliament for 39 years and today was probably one of the better exercises in hypocrisy that I have heard.

**Mr Neville:** How would you know?

**Mr KATTER:** Do not provoke me. I do not think that would be a really good idea, Paul Neville. The situation to me seems very simple. If you can get on a boat and get into Australia, then you would be a fool not to have a go. The people who are coming in are coming from countries where incomes may be $3,000. It seems to me the average income for the people who are coming in is about $3,000 a year. Here, even if you do not work, you are on $35,000 a year. It is a pretty good call.

**Mr Neville:** Come on!

**Mr KATTER:** The bloke in front of me here, the member for wherever he comes from—Bundaberg—says, 'Come on!' Are you disagreeing, my friend? Are you disagreeing that a person comes here because he will get a better standard of living? Oh, you are not—so stop interrupting.

**The DEPUTY SPEAKER (Ms AE Burke):** The member for Hinkler is not helping the situation. The member for Kennedy has the call.

**Mr KATTER:** On the figures that have been presented to me by both sides of this parliament, it would appear that if these people are processed—here or overseas—two-thirds of them will end up getting into Australia. I suspect the figure is a lot higher than that, but I will accept the figure that I have been given of two-thirds. So if you have a shot you have a two in three chance of getting in to what these people would probably consider a paradise. So why not have a go? They have a go and a lot of them die because no-one has told them that a lot of people die attempting to get here.

I voted against the Malaysian solution the first time and I think really it was for political reasons that I made the decision. I am ashamed to say that, but that may have been an element most certainly in my thinking at the time. But if you know that when you get on that boat you are going to be at the back of a queue of 250,000 people in Malaysia then there is not much point in getting on that boat. That is what we are talking about and voting on here. I will also be voting for the legislation being put forward by the opposition because I think it is better to have two horses in the race than one horse in the race. But it does not seem to me that too many other people in this place are too interested in that. They have got their idea and they are not going to change it, they are not going to compromise. From my experience, on both sides of the House I have been presented with that approach. I think that the Malaysian solution may not stay afloat in the longer term and we do have to go to another solution, but I just cannot but see that if you know that you get on the boat and you have two-thirds of a chance of getting into a country that they would consider to be paradise then it is worthwhile having a go.

My forebears and the forebears of most people in this House—all mine were here in 1870 or earlier—came out here and were prepared to live on a dirt floor in a galvanised iron shanty in the goldmining towns of Australia, as did the forebears of almost all those who were here before the Second World War. But these people are not coming here to live on a dirt floor in a galvanised iron shanty; none of them are going to do that. They are going to live in what is considered by most people on Earth to be fairly attractive circumstances. Unless
you can demonstrate clearly to these people that if you get on the boat you will not get in here then this will continue and get considerably worse.

I have spoken in this place a thousand times that you live in a country that is empty. I represent an area that could support a population of 60 or 70 million people. The electorate of Kennedy has got the water and the land resources. This issue will bring it home to the rest of the world. As the United Nations lady from the Indian subcontinent said, 'You will take these people because you are a country that can.' I think that they are very ominous words for the people of Australia. The more attention that is brought to this issue, the worse our country is going to be.

(Time expired)

Mr HOCKEY (North Sydney) (19:17): I am always reluctant to speak early in these debates. For a whole lot of personal reasons, the emotions run very deep in me in relation to refugees. The member for Kennedy said that his forebears came here in the 1870s. My father came here as a refugee on 3 September 1948. He came from a country where there was war. He had to wait his turn, but he was desperate to come here. The member for Kennedy is right: there is a great deal of hypocrisy from time to time in these debates. But I will say one thing deliberately to this parliament. I will never ever support a people swap where you can send a 13-year-old child unaccompanied to a country without supervision—never. It will be over my dead body. How dare people?

Some people say they are wrestling with their conscience. I am not; I know exactly what I want to do. The compromise that the Leader of the Opposition offered today went some way forward to offering a solution, be it Nauru, Manus Island or somewhere else. I fought with the previous Prime Minister, my Prime Minister, about Nauru. I opposed it until the moment he assured me that at all times Australians would be able to supervise the people who were sent there, that they would be protected, that they would have health care and education support—until he could assure me that those most vulnerable would be protected. That was when I agreed with him. I was prepared to cross the floor in a previous government with an absolute majority in this place because I disagreed with the treatment of those most vulnerable by my Prime Minister. Until he assured me personally, together with the minister for immigration, that no child would ever be abandoned in another country once they had come under the guardian protection of Australia—until he assured me of that I would not support it. But he did.

This government is now asking us to support a situation where a 13-year-old child could be sent to another nation without any regard for their welfare after that moment. Even if we have words from the immigration minister about it being a case-by-case basis, it is the threat of it and from time to time the enactment of it that is the most damning thing for our conscience. That is why I feel entirely consistent. That is why I was so angry about being gagged before. I have wrestled, like many others, with their conscience on this debate but I am entirely consistent with my soul. I will sleep easy because I know from my own background and from what I have done in the past that I am going to be consistent no matter how painful it might be in the electorate, no matter how hard it might be explaining it to my constituents. I rest easy on this because I can be entirely consistent with what beats within my soul.

Mr ABBOTT (Warringah—Leader of the Opposition) (19:22): It is an honour to follow my friend and colleague the member for North Sydney in this debate, and I thank
him for the contribution that he has made to the House.

Let me say that, as far as the coalition is concerned—yesterday, today, forever—the Malaysia deal is a dud deal. It is a bad deal for Australia; it is a cruel deal for boat people. We will never, ever support it. It is still a dud deal, even if it is only going to last for 12 months. The coalition will never connive at a bad deal, let alone for 12 months. So we will not be supporting the amendment that has been moved by the member for Denison.

What has happened in the last hour or so is that this House has voted for legislative deadlock. This House has turned its back on a legislative proposal, the amendment put forward by the member for Cook, that would have gone through this chamber and through the Senate. So this House has voted for deadlock tonight because the proposal which is now before the House will never go through the Senate. It will never get support in the Senate. It should never get support in the Senate, because it will never work in ways that the Australian people will ever support.

First, it is limited to just 800. Second, it exposes people going from Australia to Malaysia to punishments that we would regard as completely cruel and unusual. I do not say that in any spirit of criticism of Malaysia, but their standards are not our standards, and we should treat people in accordance with our standards, not theirs. A decent and humane country accords everyone who comes under our protection the kind of treatment that we believe is decent and humane.

I challenge members opposite, who spent so much time attacking the Howard government for sending boat people to Nauru, where they were looked after by Australians in accordance with Australian standards, to justify the abominable deeds that they are about to propose in the upper house. In the end, it is not going to work, because we know what the people smugglers will do; they will send women and children. They will load up the boats with women and children. Whatever fudges the minister might put forward, whatever weasel words the Prime Minister and the minister might put forward, they will stay in Australia and, if just one of them goes back to Malaysia and is treated abominably, this government will stand condemned as a government with absolutely no ethical standards whatsoever.

This coalition has been entirely consistent over the years. We have always stood for principles that would stop the boats and at the same time maintain the standards of decency of this country. What this parliament has done this evening is say no to legislative progress. It has said no to increased refugee intakes. This Prime Minister has said no to the things she claimed to believe in before the election. We know the Prime Minister has form when it comes to saying one thing before an election and doing something different after the election. Yet again, that is exactly what we have seen from this Prime Minister today.

What we have seen from this government is every single position on border protection except one that will actually work. If it were ever put into practice, this one would not work; but it will not be put into practice, because it will not even pass the parliament, because the Prime Minister has rejected the compromise put forward by the opposition today.

The Prime Minister has chosen a pyrrhic victory in this House, over legislation that would actually pass the parliament and would actually make a difference and would actually stop the boats. Shame on her.
Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (19:27): I rise to indicate the government's support for the amendments that have been moved by the member for Denison. I find it astonishing, frankly, that the opposition have indicated that they will oppose this amendment, having earlier on in the day—all afternoon—said that they would support this amendment.

This amendment is to ensure that the amendments, including any repealed by this act, have effect for only a period of 12 months from the commencement of this act; and any act amended by this act has effect after that period of 12 months, as if the amendments had not been made.

This is a genuine position being put forward by the member for Denison, to ensure that there is accountability. Many speakers have made contributions in which they have indicated that this is a difficult issue, and they are not sure what will work or not. What we know is that what is there now is not working. We know and we have a reminder today of the most tragic kind. We have once again a tragedy off our shores.

I believe that the member for Denison is making a constructive contribution to the debate in putting this forward. I want to pay tribute to the member for New England, the crossbenchers, the members of the government and the members of the opposition backbench, all of whom met today and on Monday to try and work through the substance of these issues. I disagree—respectfully—with the position put by the member for Pearce, but I commend her absolute genuineness in putting it forward and her absolute commitment to humanity.

We can have disagreements about the way forward on these issues because, quite frankly, if it were simple it would have been done. We know, for example, that the idea that Nauru is a deterrent is no longer the case, given that it resulted in people settling in Australia. I come from a certain perspective in the party. Look at the contributions I have made as a member of Labor for Refugees, I am not comfortable with a whole range of things that are now being considered and implemented. It is not easy. But you have to look at circumstances as they are, rather than as you would like them to be, and essentially acknowledge that we need to find real solutions and that what is on the table from this government is a real solution. So let's give it a go, which is why I am supporting this position. I have taken a position that we need to advance on these issues. The fact that an Independent member of parliament, the member for Lyne, has put forward this legislation in good faith to advance an outcome is significant. We have had considerable debate on these issues and I move:

That the question be now put.

Question agreed to.

The DEPUTY SPEAKER: The question is that the amendment be agreed to.

The House divided. [19:36]

(The Deputy Speaker—Ms AE Burke)

Ayes ...................... 75
Noes ...................... 71
Majority ................. 4

AYES

Adams, DGH
Bandt, AP
Bowen, CE
Brodtmann, G
Butler, MC
Champion, ND
Clare, JD
Combet, GI
Danby, M
Dreyfus, MA
Ellis, KM
Ferguson, LDT
Fitzgibbon, JA

Albanese, AN
Bird, SL
Bradbury, DJ
Burke, AS
Byrne, AM
Cheeseman, DL
Collins, JM
Cran, SF
D'Ath, YM
Elliot, MJ
Emerson, CA
Ferguson, MJ
Garrett, PR

CHAMBER
Question agreed to.

The DEPUTY SPEAKER (19:39): The question now is that this bill as amended be agreed to.

Mr Pyne: Are we on the second reading or the third reading?

The DEPUTY SPEAKER: The bill has been amended. We just did the committee stage and I am putting the question that the bill as amended be agreed to.

Mr Pyne (Sturt—Manager of Opposition Business) (19:40): This bill began at around 2 o’clock this afternoon. We have been debating this for close to six hours. The member for Lyne has moved his bill, the member for Cook’s amendment has been dealt with and defeated, the member for Denison’s amendment has been dealt with and passed, and now there is absolutely no excuse why the government would not introduce this bill into the Senate tomorrow to be dealt with.

I place on record that the opposition expects the government to introduce this bill in the Senate tomorrow to be dealt with, and if they do not it will mean that they were never fair dinkum—that it was just another stunt. I also place on record that the opposition will do whatever is required to
facilitate that debate being held in the Senate tomorrow and being concluded. We will facilitate that debate, we will not stand in the way of the government introducing this bill into the Senate and having it debated. We might well, of course, speak to these bills as we oppose the Malaysian solution with every fibre in our being—particularly for the reasons outlined by the Leader of the Opposition. But I think that the shadow Treasurer put it very well to the House tonight.

I would ask every Labor member of good conscience—and there are some—to search those consciences tonight and realise what they are doing if they support the Malaysian solution through the parliament tomorrow, and they will hang their heads in shame. The next time boats attempt to get to Australia and meet tragedy, if they are full of women and children, it will be on the heads of the government for pursuing the Malaysian solution—

Mr Laurie Ferguson: You! You!

Mr PYNE: knowing the outcome of this means women and children being the gold standard for people smugglers in the future.

There are good members on the Labor side of the House. Daryl Melham is one of them, and there are others: Laurie Ferguson is one of them, Melissa Parke is another. They should be searching their consciences and putting the pressure on the government tomorrow on this issue.

I put it to the government—I dare the government—to introduce this bill into the Senate tomorrow. The opposition will not stand in its way and will see it through to its conclusion and a vote tomorrow in the Senate.

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (19:43): I can assure all members that this bill will be introduced into the Senate tomorrow and debated to conclusion. The Prime Minister's office has already been in contact with the opposition and the crossbenches in the Senate to indicate that that is the case. And I suspect that the Manager of Opposition Business, with all this bluster, knows that is the case. We have seen extraordinary hypocrisy—

Opposition members interjecting—

The DEPUTY SPEAKER (Ms AE Burke): Order!

Mr ALBANESE: No more extraordinary than the contribution by the Manager of Opposition Business. The debates and votes that we have had, the divisions where they have sat against concluding the debate in this House, where they voted against the negation of the adjournment debate—which would have concluded the debate at 7 pm—would have meant that not only could we not consider it in the Senate but it would have been back here in the House tomorrow. That was their position an hour ago. They cannot keep a consistent position for a minute, let alone an hour.

So let us get real about this. The Manager of Opposition Business just indicated that it would be our responsibility if children were put on boats because they would not be sent to Malaysia. The previous speaker from the opposition, the shadow Treasurer, said that kids would be sent to Malaysia. The inconsistency in their position is extraordinary. I have been in this place since 1996. I was here when the Tampa came in. I have been here during the entire period of the former government. I was here for 'children overboard'. I was here for all of those events. What we have had here is sanctimonious nonsense from those opposite. The fact is that the government has a position on the table. It provides a real solution—not an easy one, but a real solution and a real opportunity to go forward. It is
being done on the advice of the experts—people like Andrew Metcalfe. People like Andrew Metcalfe have briefed us in meetings we are not allowed to talk about.

*Government members interjecting—*

**Mr ALBANESE:** And them. The experts have said this is the best way forward. So do I find it easy? No, I do not—on a personal level, not at all. It runs counter to a whole range of things I have said over a long period of time. But let me tell you: I am not prepared to be a cabinet minister in a government and say, 'I was given advice by the experts and I chose an easy option.'

*Mr Schultz interjecting—*

**The DEPUTY SPEAKER:** The member for Hume is out of his place.

**Mr ALBANESE:** So this debate will be concluded in this House tonight. The arrangements and the deals from those opposite have been on the table and off the table. The inconsistency in them voting against the Wilkie amendment is just extraordinary—the position that we saw.

*Mr Bowen interjecting—*

**Mr ALBANESE:** Earlier on they were holding press conferences saying it was a terrific idea. The sorts of positions that have been put forward are just extraordinary. The government's position is that this is now being concluded. The House of Representatives—the people's House and people's chamber, democratically elected—will be determining a final position over the next few minutes. My request to the opposition is to put politics aside, vote for it, vote for it in the Senate and give it a go. What is the worst that can happen for those opposite politically? The worst that can happen for them politically is that it works. That is the attitude they bring to this debate, which is why people should support this legislation. I congratulate the member for Lyne on his initiative in advancing this legislation, which will now go through the House.

*A division having been called, the bells being rung and an incident having occurred in the chamber—*

*Honourable members interjecting—*

**Mr Pyne:** Madam Deputy Speaker, on a point of order: is it in order for the Labor Party to be bullying the Deputy Leader of the Opposition from the other side of the chamber during the counting of the division, shouting at the Deputy Leader of the Opposition from the front bench as well? I would ask you to bring the chamber to order.

**Ms Julie Bishop interjecting—**

**The DEPUTY SPEAKER:** Order! The Deputy Leader of the Opposition! We have not actually locked the doors. Individuals, this has been a very terse debate, and up until now I think the House has actually held itself in incredibly good stead. I would hate it to be spoilt at this late hour by a former occupant of the chair. The member for Sturt might query who is bullying who in this place. I also remind individuals that a member's vote is privileged. The question is that the bill as amended be agreed to.

The House divided. [19:52]

The Deputy Speaker (Ms AE Burke)

Ayes ...................... 74
Noes ...................... 72
Majority............... 2

**AYES**

Adams, DGH
Bird, SL
Bradbury, DJ
Burke, AS
Byrne, AM
Cheeseman, DL
Collins, JM
Crean, SF
D’Ath, YM
Elliot, MJ
Emerson, CA

Albanese, AN
Bowen, CE
Brodmann, G
Butler, MC
Champion, ND
Clare, JD
Combet, GI
Danby, M
Dreyfus, MA
Ellis, KM
Ferguson, LDT
AYES

Ferguson, MJ
Garrett, PR
Gibbons, SW
Gray, G
Griffin, AP
Hayes, CP
Jenkins, HA
Katter, RC
King, CF
Livermore, KF
Macklin, JL
McClelland, RB
Mitchell, RG
Neumann, SK
O'Connor, BPJ
Owens, J
Perrett, GD
Ripoll, BF
Roxon, NL
Saffin, JA
Sidebottom, PS
Smyth, L
Swan, WM
Thomson, CR
Vavankinou, M
Windsor, AHC

NOES

Prentice, J
Ramsey, RE
Robb, AJ
Roy, WB
Schultz, AJ
Secker, PD (teller)
Smith, ADH
Southcott, AJ
Tehan, DT
Tudge, AE
Van Manen, AJ
Washer, MJ

AYES

Fitzgibbon, JA
Georganas, S
Gillard, JE
Grierson, SJ
Hall, JG (teller)
Husic, EN (teller)
Jones, SP
Kelly, MJ
Leigh, AK
Lyons, GR
Marles, RD
Melham, D
Murphy, JP
Oakeshott, RJM
O'Neill, DM
Parke, M
Plibersek, TJ
Rishworth, AL
Rudd, KM
Shorten, WR
Smith, SF
Snowdon, WE
Thomson, KJ
Wilkie, AD
Zappia, A

NOES

Pyne, CM
Randall, DJ
Robert, SR
Ruddock, PM
Simkins, LXL
Somlyay, AM
Stone, SN
Truss, WE
Turnbull, MB
Vasta, RX
Wyatt, KG

PAIRS

Rowland, MA
Mirabella, S

Question agreed to.
Bill agreed to.

Third Reading

Mr OAKESHOTT (Lyne) (19:56): by leave—I move:
That this bill be now read a third time.

The DEPUTY SPEAKER (Ms AE Burke): The question is that this bill be now read a third time.

The House divided. [19:57]

(The Deputy Speaker—Ms AE Burke)

Ayes ................. 74
Noes ................... 72
Majority ............... 2

AYES

Adams, DGH
Bird, SL
Bradbury, DJ
Burke, AS
Byrne, AM
Cheeseman, DL
Collins, JM
Crean, SF
D'Ath, YM
Elliot, MJ
Emerson, CA
Ferguson, MJ
Garrett, PR
Gibbons, SW
Gray, G
Griffin, AP

NOES

Albanese, AN
Bowen, CE
Brodtmann, G
Butler, MC
Champion, ND
Clare, JD
Combet, GI
Danby, M
Dreyfus, MA
Ellis, KM
Ferguson, LDT
Fitzgibbon, JA
Georganas, S
Gillard, JE
Grierson, SJ
Hall, JG (teller)
AYES
Hayes, CP
Jenkins, HA
Katter, RC
King, CF
Livermore, KF
Macklin, JL
McClelland, RB
Mitchell, RG
Neumann, SK
O’Connor, BPJ
Owens, J
Perrett, GD
Ripoll, BF
Roxon, NL
Saffin, JA
Sidebottom, PS
Smyth, L
Swan, WM
Thomson, CR
Vamvakinou, M
Windsor, AHC

Husic, EN (teller)
Jones, SP
Kelly, MJ
Leigh, AK
Lyons, GR
Marles, RD
Melham, D
Murphy, JP
Oakeshott, RJM
O’Neill, DM
Parke, M
Piliberserk, TJ
Rishworth, AL
Rudd, KM
Shorten, WR
Smith, SF
Snowdon, WE
Thomson, KJ
Wilkie, AD
Zappia, A

NOES
Secker, PD (teller)
Smith, ADH
Southcott, AJ
Tehan, DT
Tudge, AE
Van Manen, AJ
Washer, MJ
Simpkins, LXL
Somlyay, AM
Stone, SN
Truss, WE
Turnbull, MB
Vasta, RX
Wyatt, KG

PAIRS
Rowland, MA
Mirabella, S

Question agreed to.
Bill read a third time.

ADJOURNMENT
Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (19:59): I move:

That the House do now adjourn.

Question agreed to.

House adjourned at 20:00

NOTICES

The following notices were given:

Mr Albanese to move:

That standing order 31 (automatic adjournment of the House) and standing order 33 (limit on business) be suspended for the sitting on Thursday, 28 June 2012.

Mr Morrison to present a bill for an act to amend the law relating to migration, and for related purposes Migration Legislation Amendment (Offshore Processing, Protection and Other Measures) Bill 2012.

REQUESTS FOR DETAILED INFORMATION

Mr Robb to ask the Speaker—In respect of the Portfolio Budget Statement 2012 13 for the Department of the House of Representatives,

(1) What areas of service delivery and support provided by the Department of House of Representatives are being adversely affected by the 2.5 per cent efficiency dividend.
(2) In respect of funding restraints, can he provide a list of services (a) not affected, (b) that are subject to funding restraints.

(3) Can he confirm whether the efficiency dividend will result in an operational funding reduction of $1.7 million over the budget forward estimates.

(4) Can he confirm whether the work of House of Representatives committees and the support they receive will be unaffected; if not, in what areas are services and support to committees likely to be reduced.

(5) Has any assessment been conducted to gauge the impact that funding reductions may have on the department's statutory obligations.

(6) Is the department at risk of not meeting its statutory obligations as a result of the efficiency dividend.

(7) In respect of the House of Representatives Standing Committee of Appropriations and Administration finding that the department's budget will be under pressure due to the absence of an agreement to fund core services, can he confirm whether an agreement will be sought in order to protect jobs and the work undertaken by the department.

(8) Can he confirm whether funding levels will be restored to pre-efficiency dividend levels.

Mr Robb to ask the Speaker:

In respect of broadcasting services provided by the Department of Parliamentary Services, will the reduction in funding result in a downscaling of services or the cancellation of any service enhancement plans; if so, which services and plans will be affected.
CONSTITUENCY STATEMENTS

Gippsland Electorate: Carbon Pricing

Mr CHESTER (Gippsland) (09:31): Gippsland and Latrobe Valley families have no reason to trust the assurances by this Prime Minister and this government that they will be adequately compensated for the impacts of the carbon tax. This, after all, is the Prime Minister who promised there would be no carbon tax under the government she leads. To be fair, the Prime Minister has been partly true to her word. There is no carbon tax under the government she leads; there was a carbon tax under the government that was led by Bob Brown and now is led by Christine Milne. It is this grubby deal with the Greens which has forced this government into this position. The blue-collar workers in my region, who used to be the heart and soul of the Australian Labor Party, know they have been sold out to the inner-city latte sippers. These workers have been vilified. They have been described as 'big polluters' and told that their jobs will go as the government implements its policy of contract for closure.

With just days to go until the carbon tax cascades through regional economies, there have been no guarantees whatsoever given by this government in relation to the contract for closure scheme, other than ministers claiming that they are sticking to the 30 June deadline. This is a scheme aimed at shutting down power stations. There are currently negotiations going on with at least three power stations in the Latrobe Valley. It is the worst kept secret in the world that the negotiations are going absolutely nowhere. Both the minister for climate change and the minister for industry and resources have not ruled out extending the deadline. Extending the deadline would just add to the uncertainty in the Gippsland-Latrobe Valley region. There is simply no certainty for any power station worker in my community or their families in the Latrobe Valley.

Those opposite like to say that the opposition is scaremongering on this topic. The hardworking people in the Latrobe Valley are scared. They are scared about the future of their jobs under this government and its policy to shut down power stations. Even the minister for regional Australia admitted recently there were no guidelines for the regional structural adjustment package, which is supposed to assist the regions which are adversely affected by the carbon tax, regions like the Gippsland-Latrobe Valley area. What hope have the Latrobe Valley families got when no-one knows if the contract for closure scheme is progressing and no-one knows what the guidelines are for the regional structural adjustment package?

The Labor Party of old stood up for blue-collar workers; now it simply stands for staying in power at all costs. It is doing these pathetic deals with the Greens, who, I stress, have never created a job in regional Australia and are a direct threat to all of our traditional industries in regional communities. There is an absolute crisis of confidence in regional communities, including the Latrobe Valley, and it is directly linked to the uncertainty this government has created through its reckless decision to legislate for the world's biggest carbon tax.

Those opposite like to claim that there are other factors at play in terms of the impact on manufacturing and other industries in regional communities, in terms of the downturn we are
experiencing. I acknowledge that there are other factors at play, but I simply ask the question: why make it harder? Why make it harder for regional communities by implementing the world's biggest carbon tax during an already difficult time?

**British Commonwealth Occupation Force**

Ms RISHWORTH (Kingston) (09:34): I am pleased today to rise to talk about the important work that was done by Australians through the British Commonwealth Occupation Force between 1946 and 1952. I believe it is important to acknowledge the significant contribution made by the British Commonwealth Occupation Force and I would like to take this opportunity to recognise all Australian troops who served in that important force.

Following the defeat of the Axis powers in World War II, the Allied forces deployed troops to enforce the conditions of unconditional surrender which had brought an end to the devastating conflict. The British Commonwealth Occupation Force was charged with the task of overseeing the demilitarisation and disarmament of Japan. The British Commonwealth Occupation Force occupied five Japanese prefectures with a population of 19 million and was primarily concerned with overseeing the demobilisation of Japanese troops as well as the dismantling of Japanese war-making capacity, including by destroying military equipment or converting it to civilian use. Members of the British Commonwealth Occupation Force were also involved with supervising elections and establishing the foundations for democratic government in this nation.

Although the British Commonwealth Occupation Force consisted of 45,000 members from Britain, India, and New Zealand as well as Australia, Australia's participation was a significant contribution proportionally in comparison to the other countries. A total of around 16,000 Australians served under the British Commonwealth Occupation Force. The main deployment of Australians under the BCOF landed in Japan on 21 February 1946, and this was the first time that Australia had participated in a military occupation of a sovereign nation which it had defeated in war. In fact, the British Commonwealth Occupation Force was commanded by an Australian officer, and for two-thirds of the occupation period it was only Australia who represented the force. It is not only the infantry soldiers who must be recognised for their contribution during this period of our history but also the 2,200 Australians from the Air Force wing, the 130 Australians from the Australian General Hospital and Australians serving with the Royal Australian Navy in this region.

It is clear that Australia played a significant role in the work of the British Commonwealth Occupation Force, and it is important that we remember the contribution of those Australians. I would like to thank a constituent of mine who brought this to my attention, Ronald Clark. He has been a big advocate for those who have served in this area and he has continued to represent these issues to the Australian government. There is also a collection of legacies and a whole range of activities which are there to serve our veterans. I wish to recognise Ron Clark and thank him for bringing this to our attention. I also thank him and his comrades for the work they have done in this area.

**Sport**

Mr ALEXANDER (Bennelong) (09:37): On this week's Q&A program the final audience question was directed to the Minister for Sport: 'What significance is it to Australia to win gold medals at the London Olympics?' The minister's response was to talk of the tried and
true trickle-down effect: that greater results achieved at the elite level lead directly to inspiring a new generation of sporting participants to become future champions.

At the 2008 Beijing Olympics taxpayers forked out $16.7 million in direct federal funding for each of the 13 gold medals that were won by the Australian Olympic team. Include elite infrastructure development and state government grants and the cost increases four or five times. Australia is a sport-loving nation, and much of our national culture and identity has developed through the achievements of our sporting heroes. Yet, with community participation numbers in rapid decline, childhood obesity levels becoming epidemic and the size of our televisions ever bigger, we must question if we have struck the right balance when 75 per cent of national sporting and infrastructure funding goes to elite development.

It has been well documented that a much more powerful policy response is the trickle-up effect, where the provision of access opportunity for individuals to participate in sport has the immediate result of creating a greater pool of sportsmen to find talent from and progress to the elite level as a by-product. The greatest thing that a government can do to promote good physical, mental and social health in the Australian community is to encourage physical activity.

It has emerged overnight that Australia has suffered its worst Wimbledon men's result since 1933, when our Davis Cup team chose not to play in the UK. This result is commensurate with the loss of tennis courts and participation, despite the huge injection of funding into elite player development. This year we celebrate 60 years since Frank Sedgman won Wimbledon and 50 years since Rod Laver won for the second time on his way to winning the grand slam. Then we invested no money in player development but we had the largest number of courts and the highest levels of participation in the world, and we dominated that sport as no other country has before or since. The true value of a gold medal comes when elite achievement is a result of the broad-based community participation in sport. This is the history of our greatest champions that we have played with, and then they rose to the top. We could celebrate their great achievements as fellow participants and competitors, understanding the complexities of the game.

When we next return to this place the Olympics will have come and gone. I know that all of us will join with our constituents in celebrating the international successes we see on our TV screens and then hopefully also join them for a jog, a swim or play with a ball so that our future generations can also have something to celebrate.

**Vocational Education and Training**

**Workers Compensation**

**Ms HALL** (Shortland—Government Whip) (09:40): TAFE in New South Wales provides valuable learning opportunities for students not only in my electorate but in electorates throughout the whole of the state. Unfortunately, since the O'Farrell government has been elected TAFE colleges in my area have come under siege. They have pressure on them to deliver expenditure cuts, which has resulted in 35 courses being cut in the Hunter. Mr Deputy Speaker, I seek leave to table those courses that have been cut in the Hunter.

Leave granted.

**Ms HALL:** I thank the House. I am very worried about the report *Smart and skilled: making NSW number one*, which is going to be released by the state government. It is looking
at training expenditure, and trying to cut further and move vocational courses into the competitive market. I believe that TAFE in New South Wales has provided industry and our communities with skilled and trained workers that are second to none. The apprenticeship system, which the federal government is supporting, has been dominated by TAFE because of the quality of training that is provided through those institutions. There are private providers that do provide training, but the quality and the knowledge that those students who are trained through TAFE have is second to none. I know that TAFE teachers are worried about a voucher system being introduced in New South Wales, and I know that those people in my electorate who are attending TAFE are also concerned about the implications for them.

The final thing that I would like to put on the record is the change to the workers compensation system. As a person who worked in rehabilitation, I am terribly concerned that the changes the New South Wales state government has pushed through will be counterproductive. Rather than injured workers re-entering the workforce I think that there are going to be fewer workers who are going to be prepared to undertake retraining and take the risk of re-entering the workforce. From my initial reading of the legislation I think that there is extreme concern for workers who are injured. I believe that all members should come together and support workers. (Time expired)

**Ryan Electorate: Carbon Pricing**

*Mrs PRENITCE (Ryan) (09:43):* In a few days time the world's biggest economy-wide carbon tax will come into effect in Australia. As a significant new tax it will have massive implications for our economy, household budgets and jobs, and given current global economic conditions it comes at arguably the worst possible time. This is the tax, of course, which we were promised we would not get with this government. Prime Minister Gillard, who made that promise five days before the last election, now desperately wants us to pass judgment on its success or failure on day one and then move on.

The Ryan electorate will be hard hit by this toxic carbon tax. The Brisbane City Council has been branded by this Labor Gillard government as one of the top 294 polluters in the country. It is estimated that the carbon tax will cost the council over $15 million in the 2012-13 financial year, and this is set to increase when landfill liabilities come on line. Brisbane Lord Mayor Graham Quirk has lobbied tirelessly against this government's ridiculous decision to slug Brisbane's ratepayers, but those pleas have fallen on deaf ears. Brisbane ratepayers have already spent millions of dollars achieving real green initiatives, but when this tax comes into effect on 1 July council estimates that the carbon tax will add about $20 to $30 to ratepayers' average annual rates bill every year. Between 1990 and 2010 Brisbane City Council more than halved its annual carbon emissions from 500,000 tonnes to 220,000 tonnes on the way to achieving its target for the council to be carbon neutral by 2026. Currently, the LNP council is purchasing 100 per cent green power for its buildings and offsetting all carbon emissions from its public transport and vehicle fleets. In addition, it has planted 2 million trees and saved more than 550 hectares of at-risk bushland from development.

Yet, despite these genuine green initiatives to reduce the council's carbon footprint, Brisbane City Council does not meet the Gillard government's carbon tax criteria. Brisbane City Council is Australia's largest council with over one million residents. This means that Brisbane has greater responsibilities, including the operation of landfill sites and public transport, than other councils. These are public services which should not be taxed under the
carbon tax, particularly when council is making such a significant effort to reduce its carbon footprint.

We all know that the next election will most certainly be a referendum on this toxic carbon tax. The coalition will seek a mandate to repeal the carbon tax, and if we are elected a coalition government will have a contract with the community to honour that mandate. This tax can be repealed quickly, and if Labor respects the outcome of the election it can be repealed within six months. Only under a coalition government will electricity prices be cheaper with the scrapping of the carbon tax.

**National School Chaplaincy and Student Welfare Program**

Mr ZAPPIA (Makin) (09:46): Last night the parliament passed legislation enabling the continuation of federal funding of the school chaplaincy program. The legislation was required in response to the High Court decision last Wednesday that the existing funding process was invalid because it had not been authorised by legislation.

The school chaplaincy program provides support to more than 3,500 schools, both government and non-government, across Australia. I have supported the program from its inception, and I have argued for the continuation of it since being elected to federal parliament. Thirty schools in my electorate of Makin participate in the National School Chaplaincy and Student Welfare Program. I have met many of the chaplains and welfare officers, I have spoken with school principals and parents about them and I have seen the work of the chaplains and welfare workers with the students. They serve a very valuable role in school life for teachers and parents.

For students, growing up in today's world can be extremely traumatic and stressful. Peer pressure, parental expectations, bullying, studies, social life and even drugs can result in severe emotional stress. Particularly where both parents work, much of the burden of guiding students through these difficult times falls upon teachers. To their credit, teachers respond magnificently, but it should not be a teacher's responsibility. Their priority should be to teach, albeit today most teachers have assumed many responsibilities that traditionally fell upon parents. School chaplains and welfare workers take much of the burden off teachers and in turn allow teachers to do what they do best.

Access to a neutral person who will listen to their needs without being judgmental provides students with someone they can turn to during difficult times in their lives. Not all young people feel comfortable talking to their parents or their teachers about personal problems. School chaplains and school welfare workers fulfil this role, and in today's world it is a role that is vitally needed.

I welcome the government funding of the program, and I particularly commend the government for acting swiftly to restore the funding following the High Court decision. The government recently provided funding so that an additional 1,000 schools across Australia can benefit from the National School Chaplaincy and Student Welfare Program. Six of those schools are in my electorate of Makin: Banksia Park Primary School, Golden Grove High School, Keller Road Primary School, Madison Park Primary School, Our Lady of Hope Catholic School and Para Hills West Primary School. I know that they will all benefit from the program, and I know that they will all be relieved that the funding has been restored.
Mr FRYDENBERG (Kooyong) (09:48): On 1 August, Paul Fitzgerald AM turns 90 years of age. Paul is a giant of a man, a distinguished artist, a generous benefactor and a thoroughly decent human being. No other living Australian artist has painted more notables and nobles than Paul Fitzgerald. His works include three portraits of the Queen, one of which was the only official portrait in the Silver Jubilee year of 1977.

His other portraits include those of Prince Philip, the Duke of Edinburgh; Charles, Prince of Wales; Pope John XXIII; two Australian governors-general; two Australian prime ministers, Sir Robert Menzies and Malcolm Fraser; six state governors; two state premiers, including Sir Henry Bolte; 14 Supreme Court judges; two cardinals, including Cardinal James Knox; four archbishops, including Daniel Mannix; Prince and Princess von Baden of Germany; King Hisamuddin of Malaysia; and the list goes on. In all, Paul has painted in over 15 countries around the world. One doubts there would be a more impressive list of portrait subjects anywhere in the world.

Paul's life is dotted with achievements which deserve to be retold. Born in Hawthorn, he was the second son of Frank Fitzgerald and Margaret nee Poynton. Frank was an art critic and journalist at the Argus and the Age and saw fit with Margaret to educate young Paul at an outstanding school in Kew, Xavier College. Paul's strong connection with Xavier continues to this day. Paul studied at the National Gallery School for five years in two stints, from 1940-43 and 1946-47, a period which was interrupted by three years of service in the Army during World War II. Paul founded the Australian Guild of Realists Artists, where he was president for seven years, and remains a life member of council.

He had seven children—Fabian, Marisa, Patrick, Emma, Edward, Maria and Frances—and was fortunate to celebrate his 55th wedding anniversary to Mary Fitzgerald, who is the sister of the late Lieutenant-Commander Michael Parker AO, former private secretary to the Queen and Prince Philip. Mary is a graduate of Genazzano, also in Kew, and had a distinguished career in her own right, having been a successful actress and TV announcer and is known as the 'first lady of Australian television'.

I have been fortunate to get to know Paul over recent years and came to appreciate his deeply held values and ideals. I am very proud of what he has achieved over the years in his professional life as well as his lifelong connection with my electorate of Kooyong. Paul's significant contribution to the art world and the Australian community deserves to be acknowledged and celebrated. His legacy and his works are bound to live on for many, many more years to come. I wish Paul and his family continued good health and joy, and on behalf of a grateful community I say to you a very happy 90th birthday. May there be many more celebrations to come.

Lindsay Electorate: Queen's Birthday Honours

Mr BRADBURY (Lindsay—Assistant Treasurer and Minister Assisting for Deregulation) (09:51): I rise to acknowledge residents of the Lindsay electorate who were recently named on the 2012 Queen's Birthday Honours List.

Firstly, commended for his work with the National Trust and Historic Houses Trust of NSW, I recognise James Broadbent, who was appointed a Member of the Order of Australia—AM. As an academic and researcher, James has been recognised for his significant
service to the preservation of Australia's housing history. I congratulate James on this award and the significant contribution he has made to this field of research.

After almost 30 years of dedicated service to public education, Werrington Downs resident Dianne Giblin has also been appointed a Member of the Order of Australia. Dianne has made a significant contribution to the Federation of Parents and Citizens Association of NSW and a variety of education boards. She has fought for funding increases and a quality education for all children. I congratulate Dianne on receiving this honour.

Honoured with an Order of Australia Medal, I congratulate Lily Cowen. Lily has a strong passion for humanitarian issues and improving the lives of women. She has been a significant contributor to our local community through a range of charitable, arts and music organisations. I congratulate Lily on this achievement and wish her all the best. She is currently in Italy representing the Zonta Club of Nepean Valley.

Recognised for his service to the sport of harness racing and the broader Penrith community, I congratulate Max Laughton OAM. Max had a long career as a police officer, as well as dedicating much of his life to the show society and the Penrith Harness Racing Club. Our local community has much to thank Max for, most notably his work to build our iconic Penrith Paceway. I congratulate Max on receiving this great honour.

After decades of community service, dynamic husband and wife duo, Max and Dulcie Harrison, have each been awarded a Medal of the Order of Australia. Married for 57 years, the couple have been described as 'community stalwarts'. Dulcie has made a significant contribution to the Mt Druitt Hospital Auxiliary, whilst Max has dedicated much of his life to building the Kingswood Neighbourhood Centre. I congratulate Max and Dulcie on this recognition of their invaluable service to our local community.

Finally, I wish to recognise Australian Fire Service Medal recipient and Cambridge Park resident, Inspector Wayne Buxton. Wayne joined the fire brigade in 1967 and at age 65 continues to serve Fire and Rescue NSW. He has received this award for exceptional service throughout his career. I congratulate Wayne on a long and dignified career and wish him all the very best for the future.

I wish to acknowledge all these outstanding contributors to our local community and beyond.

**Little League Baseball**

**Australian Student Prize**

Mr KEENAN (Stirling) (09:54): I would like to congratulate members of the Perth Metro North Little League baseball charter who have recently captured their first Little League national championship for Western Australia since its inception in 2008. This team of talented 11- and 12-year-olds are the best players selected from three clubs: Wanneroo Giants, North Coast Ball Club and, from my electorate of Stirling, the Carine Cats. The team will now go on to Taichung, Taiwan, to represent Australia in the Asia-Pacific Little League Championships in July. The boys will be given the opportunity to play in front of crowds of up to 10,000 people, which is an exciting prospect for the young players. The winner of this tournament will go on to the Little League World Series in Williamsport, Pennsylvania, in the United States, in August.

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FEDERATION CHAMBER
It is great to see the dedication and commitment by these young players to their sport. Despite normally playing for different clubs in the regular season, the boys have put aside their on-field competitiveness and have instead become great friends and team mates. I am sure that it is this new bond that has helped them to achieve such great success. I would like to acknowledge the hard work of the team's coach, Murray Kempton, and assistant coaches, Dean White and Alex Zahradnik, and all the boys' parents, who have supported and encouraged their children to lead a healthy and active lifestyle.

The Carine Cats are the largest single T-ball club in Western Australia and have had an enormously successful season across all age groups. They also had several other wins in their baseball and softball competitions. Congratulations to the 2012 Australian Little League National Championship team of Byron, Gyles, Connor, Max, Jed, Lincoln, Axel, Orlando, Mark, Tama, Jackson, Dawson, Zak and Chad. I wish them all the best for their trip to Taiwan and look forward to hearing of their future successes.

I would also like to take this opportunity to congratulate four students from my electorate who were awarded the 2011 Australian Student Prize in recognition of their academic excellence. Ryan Huynh, of Yokine; Clark Mei, of Woodlands; Angel Yu, of Innaloo; and Ellis Xanthis, of Carine, were each awarded the prestigious certificate and received the $2,000 prize to put towards their future academic aspirations. I believe it is important also to recognise the children's schools, which continue to provide a high level of education: Perth Modern School, Hale School and Christ Church Grammar School.

The prestigious award is given to the top 500 students in the country each year, and so all four young people should be very proud of this enormous achievement. The Australian Student Prize recognises the hard work, dedication and determination that these young students have put into their studies. I wish them all the very best with their future academic ambitions.

**Welcome to Australia**

**Dr LEIGH (Fraser)** (09:57): Last Saturday, it was my pleasure to join a significant group of Canberrans on the Welcome to Australia walk. Welcome to Australia walks were organised throughout Australia on Saturday. They recognise that there are thousands of Australians who do not care much for politics and do not know a great deal about immigration policy but do know that they care about people. Welcome to Australia began as a conversation between a number of individuals and not-for-profit organisations who believed that there needed to be a positive voice in the conversation around multiculturalism. Last Saturday was certainly a positive experience. The speakers included Henry Sherrell, the tireless organiser; MLA Joy Burch; Mark Kulasingham; Claire Doube; Dr Kim Huynh, from ANU, who told a wonderful story in which he used the analogy of tomato soup, salads and stir fries to describe the three alternative visions of multiculturalism; and Greens MLA Amanda Bresnan. Chris Bourke and Katy Gallagher from the ACT Legislative Assembly were also there.

I want to acknowledge David, a local Canberra resident and volunteer from Amnesty International ACT; Brad Chilcott, the national organiser of Welcome to Australia; the major sponsors, Amnesty International Australia and Mission Australia; as well as the National Capital Authority and the ANU student society. I also want to recognise the member for Hindmarsh, for his spearheading of Welcome to Australia walks within this parliament.
As we were walking down to the assembly area, my five-year-old son, Sebastian, said, 'Dad, what's a refugee?' I said, 'It's someone who's been treated badly in the place where they grew up and so they've gone somewhere else to find a safe space.' He paused for a moment and he said, 'So it's a bit like Harry Potter then.' I thought it was a nice analogy. It was my great pleasure to attend the Migrant and Refugee Settlement Services of the ACT career and housing expo in the Theo Notaras Multicultural Centre on 7 June. I pay tribute to Dewani Bakkum, the CEO of MARSS, for her work in providing opportunities for newly arrived migrants and refugees in the ACT to access those two critical pathways into Australia society: good quality housing and a fulfilling job. Those around the room, whether they were from the University of Canberra, from rental services, from house sale services, or from the employment agencies, were all there united to help ACT refugees blend into the Canberra community whilst still retaining that great spark of the individual societies from which they come. Australia is a stronger nation for our migrants and refugees, and I am proud to have been a part of these events.

The DEPUTY SPEAKER (Hon. BC Scott): Order! In accordance with standing order 193 the time for constituency statements has concluded.

BILLS

Tax Laws Amendment (Investment Manager Regime) Bill 2012
Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Mr TONY SMITH (Casey) (10:01): I rise on behalf of the coalition to speak on the Tax Laws Amendment (Investment Manager Regime) Bill 2012. Let me say at the outset that the coalition supports this bill and what underlines it. I will speak very briefly on it. It was introduced into the House last Thursday. In summary it establishes an investment manager regime. It has two schedules as the minister introducing it last Thursday outlined. I will deal with each of them briefly and make some concluding remarks about the manner in which the government has handled this up until this point.

Schedule 1 establishes the investment manager regime by allowing income of an overseas based managed fund to be treated as non-assessable, non-exempt income in Australia where that income is derived from an investment made overseas that has been made through an Australian based fund manager. As was outlined in the minister's introductory speech, the purpose of this schedule is to allow Australian based fund managers to compete more effectively for investment mandates from overseas based managed funds.

An example that has been put forward is if you have a Singapore based fund that wishes to make an investment in a portfolio of Japanese bonds and the fund would like to engage an Australian based fund manager with specific expertise in Japanese bonds to manage that portfolio. Without the changes envisaged in this bill, the Singapore based fund will be considered to have a permanent Australian establishment solely because it was using an Australian based fund manager, and any income from this investment arrangement known as 'conduit income', as outlined in the minister's second reading speech, would be therefore subject to Australian tax rules.
The changes contemplated in schedule 1 would ensure that the overseas based fund is not considered to have a permanent Australian establishment solely because it has engaged an Australian fund manager to manage its portfolio, and the conduit income would not be subject to Australian tax rules. The explanatory memorandum naturally outlines some more of the intricate detail with respect to this but, as I said a few minutes ago, the outcome will be that Australian based fund managers will be able to compete more effectively for investment mandates from overseas based managed funds. Schedule 2 is designed to deal with, as the minister outlined in his second reading speech, removing uncertainty surrounding the impact of the United States accounting standard ASC 740-10 or, as the minister outlined, the amendment often referred to as FIN 48. Essentially, this schedule is designed to remove some uncertainty in that respect and, initially, these rules apply only to US public companies, but since the end of December 2009, they have also applied to private entities that prepare US accounts. So this schedule is also a necessary change to remove any uncertainty in that respect.

As I said at the outset, the opposition supports this bill. As was pointed out by the minister, they flow from the Johnson report and they have been in the public domain for a considerable period of time. Indeed, these recommendations were released way back at the beginning of 2010. Minister Shorten first announced he would legislate to introduce what we are discussing today in December 2010 and January 2011. In conclusion, I point out that, obviously a significant period of time has elapsed since the minister's announcement. The Financial Services Council said at the beginning of 2011:

The announced changes will provide tax certainty for foreign investors investing in Australian managed funds. It will take away the uncertainty that currently exists which can result in foreign investors being unfairly taxed.

The importance of this change cannot be underestimated—it removes a major barrier to Australian based fund managers attracting foreign investment.

They went on to say:
This will give Australian based fund managers the certainty they need when competing internationally and is a major step towards Australia becoming a real global financial centre.
I quoted from the Financial Services Council media release of 19 January—that is back at the time of the recommendations; even prior to the minister's announcement.

There has been a delay between the report's release, the minister's announcement of action and the debate of this legislation. As I have said, the opposition supports this. The delay has meant that the benefits of this have not flowed as early as they could have but, as I said at the outset, the opposition supports this legislation. It will have a beneficial impact.

Dr LEIGH (Fraser) (10:08): The finance sector, unlike other sectors of the economy, acts as the lifeblood of all firms. When finance operates effectively, start-up firms are able to obtain financing for new ideas; firms that hit a rough patch but have good long-run prospects are able to borrow; and expanding firms benefit greatly. The finance sector that is sclerotic hurts the entire economy.

So it is a good thing that the opposition are supporting this bill, which is aimed at ensuring that Australia can be a finance sector hub. I will focus on the high-level arguments for Australia being a finance sector hub and leave some of the detail to my colleague the member for Shortland. When the finance sector goes bad, things go very bad for the entire economy.
In Australia we can look back to the state banks of Victoria and South Australia; in the United States they can look back to the savings and loans crises of the 1980s; and, of course, in the acronym 'GFC', the F stands for 'financial'.

When things are going well, as they are with the pool of superannuation assets in Australia, a finance industry produces a range of good jobs, in which people have a role of efficiently allocating funds across the economy. Australia is well placed for that. We speak many languages; one in four Australians are born overseas; one in two has a parent born overseas or were themselves born overseas. That depth of language talent—although, I believe it should be greater—is a great source of strength for the finance industry in Australia. The trust that underpins good markets and the efficient operation of firms is absolutely critical.

The Johnson report concluded that Australia had arguably the most efficient and competitive financial services in the Asia-Pacific. They noted that, even amidst mining boom mark 2 with terms of trade at all-time highs, the finance service sector was the largest single contributor to GDP of any sector of the economy and employed in excess of 400,000 Australians. It is recognised as one of the most sophisticated and stable in the world.

The federal government established the Australian Financial Centre Forum in September 2008 as part of our commitment to position Australia as a leading financial services centre. That report, known as the Johnson report but formerly called Australia as a financial centre: building on our strengths, was released on 15 January 2010 and made a number of recommendations relating to the taxation of foreign funds in Australia.

The Henry tax review, also released in 2010, recommended that:

Taxation arrangements applying to Australian managed funds and related services should be improved to provide greater certainty that conduit income will not be subject to Australian tax.

As the explanatory memorandum notes, the bill is:

… designed to ensure that the complex tax issues that previously arose do not discourage foreign funds from engaging the services of an Australian intermediary.

The amendments ensure that foreign funds that use Australian intermediaries are not subject to Australian tax on certain income that, in the absence of an Australian intermediary, would otherwise be foreign source income. It is recognised on both sides of this House as an important step towards building Australia as a finance sector hub in the Asia-Pacific.

I commend the bill to the House.

Mr BUCHHOLZ (Wright) (10:13): I rise today to speak on Tax Laws Amendment (Investment Manager Regime) Bill 2012. The bill constitutes the first of two elements of the investment manager regime broadly designed to address the impact of the application of the United States accounting rules, referred to as FIN 48, on managed funds investing in or through Australia. This applies to the 2010 and 2011 years and prior. They also exclude Australian tax for 2010-11 and later income years, certain income of widely held foreign funds that is taxable only because the fund uses an Australian based agent, manager or service provider. This was directed at foreign income and Australian capital gains, both of which would have otherwise been outside the scope of Australian tax but for the funds use of a local manager. The regime is also designed to remove uncertainty as to the tax treatment of conduit income of managed funds.
The amendments ensure that the foreign funds that use Australian intermediaries are not subject to Australian tax on certain income that in the absence of an Australian intermediary would otherwise be a foreign source of income. This tax treatment will extend to foreign resident beneficiaries or foreign resident partners of foreign funds that receive or are attributed amounts through one or more interposed trusts or partnerships. Australian resident investors will not obtain any concession from this measure and the tax treatment of any income received from a fund by an Australian resident will remain broadly unchanged under this bill.

Where the conditions of amendments are met, certain types of investment income and gains will be excluded from Australian tax. In addition, losses or outgoings in respect of certain investments will be disregarded. These amendments will apply to the 2010-11 period and later income years.

I will also mention that this bill, in its interim step along the path to a full investment manager regime, has not changed significantly since the exposure draft was released. The establishment of an investment manager regime was one of the centrepieces of the Johnson report recommendations on Australia as a financial centre released in January 2010.

I support the recommendations made by the Johnson report and particularly the parts of that report which pertain to this bill, including the establishment of an investment manager regime. For the past 18 months Australian fund managers have continuously told the Australian government that overseas investors will only invest through Australia once legislation has passed parliament, so it is pleasing to see that this government has finally moved towards getting something right.

The Johnson report highlighted that the sooner we act the sooner we empower our financial services sector to access market growth on our doorstep and establish Australia as a genuinely world-class financial services hub. Despite these strengths, the Johnson report observed that the sector could benefit from becoming more export oriented. So the underlying principles of this bill are fundamentally sound and are supported by recommendations in the Johnson report.

One of the key initiatives aimed at making the sector more outward oriented was the investment manager regime. The establishment of an investment manager regime is strongly supported by the Australian financial services industry and the Financial Services Council. The investment manager regime would be particularly beneficial to smaller, specialised and boutique Australian fund managers. In the past, larger fund managers have been able to establish offshore operations in other financial centres such as Luxembourg, Singapore and Hong Kong to get around export barriers of the Australian tax system. However, this has never been a cost-effective option for smaller yet highly sophisticated and very talented fund managers. These smaller players would now be able to compete more effectively against larger locally based competitors and overseas competitors, which would enhance choice and competition in the Australian market.

It should be noted that these changes have been the subject of significant consultation with industry through the release of two exposure drafts in August 2011 and then in March 2012. Stakeholders, including the Financial Services Council, the Law Council and Deloitte, consider that the current provisions of the bill have been significantly enhanced and improved through the consultation period and now provide more clarity around important technical
issues, such as the definition of a 'widely-held fund' and the operation of the provision designed to deal with the FIN 48 rule.

This legislation has two schedules, which contain the first two elements of the investment manager regime. Schedule 1 will prescribe the tax treatment of conduit income of widely-held foreign funds. The amendment will apply to 2010-11 and later years. The amendments are designed to ensure that the complex tax issues that can currently arise do not operate to discourage foreign funds from engaging the services of an Australian intermediary—for instance, an investment manager. These amendments will ensure that investment income of a foreign entity is not subject to tax in Australia simply because it engages an Australian adviser, where that income would not otherwise have been an Australian source. Schedule 2 will address the uncertainty surrounding the impact of the United States accounting standards, particularly ASC 740-10, and the amendments are often referred to at that stage simply as a FIN 48 measure. The measures will apply to the 2010-11 and earlier income years. The amendments in schedule 2 remove the potential for uncertainty regarding the Australian taxation treatment of certain foreign fund incomes and will allow foreign investors to move forward in their arrangement with confidence in their Australian tax position relating to the earlier years. The proposed amendments are designed to clarify taxation treatments of certain income for foreign funds, which have not lodged a tax return or had an assessment made of their income tax liability. Where the conditions of the provisions are met, certain types of investment income and gains will be exempt from Australian tax. In addition, losses or outgoings in respect of certain investments will be disregarded.

Schedule 1 establishes the investment manager regime by allowing income of an overseas-based fund manager to be treated as non-assessable. Non-exempt income in Australia would be where the income is derived from an investment made overseas that is being made through an Australia-based fund manager. An example—and this will hopefully make this a lot clearer—would be a Singapore-based fund that wishes to make an investment in a portfolio, say in a Japanese bond. The fund would like to engage, say, an Australia-based specialist firm fund manager with specific expertise in the Japanese bond market. Historically that would have been prohibited from a tax perspective. This piece of legislation addresses that, so that we can open up opportunities for some of our fund managers to play a role in facilitating some of those trades. Currently the Singapore-based fund would be considered to have a permanent Australian establishment solely because it was using the Australia-based fund manager, and any income from this investment arrangement, known as 'conduit income', would therefore be subject to Australian tax. This tax outcome hinders Australian fund managers from competing in international markets.

The changes in this bill will ensure that overseas-based funds are not considered to have permanent Australian establishment solely because they are engaging an Australian fund manager to manage its portfolio and the conduit income that would not normally be subject to Australian tax rules. Therefore these measures would allow Australia-based fund managers to compete more effectively for investment mandates from overseas-based manager funds. The Australia-based fund manager would still be liable for the Australian tax on the fee and the other income it derived from the arrangement with the overseas-based fund. It will be liable for the Australian tax on any investment that it makes here in Australian, but not the latter. The bill also contains integral measures to ensure that Australian-resident investors cannot...
avoid tax by investing in overseas-based funds. Schedule 1 would apply from 2010-11 income year onwards to reflect the date on which the government first announced it would implement this measure.

The measures in schedule 2 FIN 48 are designed to address the consequences of the United States Financial Accounting Standards Board's Interpretation No. 48, Accounting for Uncertainty in Income Taxes or, more simply put, FIN 48. The need for these measures arose from the Australian self-assessment tax system where not all tax positions are formally approved by the Australian Taxation Office. The self-assessment system meant that entities would have to make an accounting provision for tax even though no tax was to be paid to the ATO. FIN 48 has a particular impact on overseas funds with United States reporting requirements, which have a presence in Australia or derive income that could be considered to have an Australian source, as the tax treatment of the income of these overseas funds is not formally approved by the ATO and may be subject to an appeal from the ATO. The measure in schedule 1 of this bill addresses the issue prospectively. Initially, the FIN 48 rule applied only to United States public companies, but since December 2009 it has also applied to private entities that prepare US accounts, including many overseas-based managed funds. The measure in schedule 2 would apply to income of overseas based funds which would otherwise be an assessable income of that fund only where the fund has not lodged an income tax return here in Australia and where the Commissioner of Taxation has not made an assessment or notified the fund of an audit or review. In these cases the changes would ensure that the income of overseas based funds would be treated as non-assessable, non-exempt income. The measure applies for the 2010-11 year and previous years to provide retrospective protection and certainty to taxpayers.

In conclusion I say that I support this bill, which establishes an interim investment manager regime, because it will help to facilitate Australia's world-class financial services industry to grow and to export its services to overseas investors—especially those in the Asia-Pacific region, which is a growth area for this nation. The measures in this bill have long-term positive revenue impacts, as they will result in Australian-based funds managers attracting more investment and in mandates from overseas-based funds which are currently not utilising Australian firms due to the uncertainty of the current taxation arrangements. These Australian firms would therefore earn more fees, increase profitability, pay more tax and potentially employ more people. This is a good measure, and as a consequence I commend this bill to the Federation Chamber.

Mr SHORTEN (Maribyrnong—Minister for Financial Services and Superannuation and Minister for Employment and Workplace Relations) (10:26): Firstly, I thank those members who have taken part in the debate on this bill in a rare moment when the opposition is following the government's lead and agreeing. I am grateful for that. They should try it more often.

Mr Buchholz interjecting—

Mr SHORTEN: They should try it more often. It doesn't hurt. In fact, they could lie back and enjoy it.

This bill introduces the first two elements of an investment manager regime, which was a key recommendation of the Johnson report by the Australian Financial Centre Forum into Australia's financial services sector. The bill will provide for greater certainty for the tax
treatment of foreign funds. Foreign-managed funds use various types of entities and complex structures through which moneys raised from various individuals and institutions are invested. These entities and complex structures raise various and in many cases quite complex tax issues. Because of these complex issues and to ensure that the provisions of the bill address the legitimate concerns of the funds management industry, the government have consulted widely in the development of the measures in this bill.

The consultations included those on the issue of a consultation paper in 2010, exposure draft legislation in 2011 and a second exposure draft earlier this year. Our government consulted Australian and international tax advisers, representatives of the Australian financial sector and representatives of foreign funds, including but not limited to: the Australian Financial Centre Taskforce, formerly the Australian Financial Centre Forum; the Financial Services Council; the United States Managed Funds Association; and London and Asian fund managers. In addition, there have been numerous meetings with expert practitioners, including leading lawyers, accountants and financial advisers.

I thank the various organisations which have contributed to the consultation process on the measures in the bill. The government are committed to ensuring that the IMR legislation achieves its policy objectives, and we will continue to engage with industry to ensure that the objectives of the legislation are delivered. I am grateful for the Treasury Department's work on the bill. Treasury's consultation with industry has highlighted that it is not possible to define in legislation all of the different investment entity structures operating in eligible offshore jurisdictions. Where entities satisfy the policy intent of the measures in this legislation, the government will use the regulation-making power provided in the legislation to ensure that they benefit from the IMR.

Our government will consult with industry in developing these regulations as it has with the legislation. Our government remain committed to ensuring Australia's taxation arrangements for passive portfolio investments are in line with those of major financial centres such as the United States, the United Kingdom, Hong Kong and Singapore.

Schedule 1 to the bill will prescribe the tax treatment of conduit income of widely-held foreign funds. The amendments are designed to ensure that the complex tax issues that can currently arise do not operate to discourage foreign funds from encouraging the services of an Australian intermediary, for instance, an investment manager. These amendments will ensure that the investment income of a foreign entity is not subject to tax in Australia simply because it engages an Australian adviser where the income would not otherwise have an Australian source. This will encourage employment in our Australian financial services sector, particularly in highly skilled jobs.

Schedule 2 to the bill will address the uncertainty surrounding the impact of the United States accounting standard ASC740-10, otherwise known as FIN 48. This measure will remove the potential for uncertainty regarding the Australian tax treatment of certain foreign fund income in previous income years and will allow foreign investors to move forward in their arrangements with confidence regarding their Australian tax position relating to earlier years.

Our proposed amendments are designed to clarify the taxation treatment of certain income of foreign funds which have not lodged a tax return or have had an assessment made of their income tax liability. Where the conditions of the provisions are met, certain types of
investment income and gains will be exempt from Australian tax. In addition, losses or outgoings in respect of certain investments will be disregarded.

These amendments will support the Australian funds management industry and are in line with the government's objective to secure Australia's position as a financial services centre. They are in line with the other significant pieces of legislation and policy decisions of this government to encourage a thriving and robust financial services industry in Australia. This bill deserves the support of the House. 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.

Federation Chamber adjourned at 10:32.
QUESTIONS IN WRITING
Sustainability, Environment, Water, Population and Communities: Training
(Question No. 984)

Mr Laurie Ferguson asked the Minister for Sustainability, Environment, Water, Population and Communities, in writing, on 8 May 2012:

Since 1 January 2008, has the Minister's department contracted Skills Training Australia Pty Ltd, 92 Copeland Street, Liverpool, NSW, to conduct training; if so, for each type of training, what (a) was the purpose, (b) was the duration, (c) sum was charged per participant, and (d) oversights (if any) occurred on the specified outcome, duration and delivery.

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

Since 1 January 2008, the Department of Sustainability, Environment, Water, Population and Communities has not contracted Skills Training Australia Pty Ltd, 92 Copeland Street, Liverpool, NSW, to conduct training.